



ORGANIZATIONAL CHANGE MANAGEMENT

Course Material

All projects are begun to introduce a change into the business, whether new processes, new technology or some combination of both. Many projects fail to realize the desired business benefits however, because not enough attention is paid to the “people side of change”. This course will provide a basic introduction to the practice of Organizational Change Management (OCM) and the benefits of introducing it into your project management approach. We will discuss some of the key tenets of effective OCM and how you can begin to introduce them to enhance your project’s value. Project management and OCM are complimentary, yet different disciplines. Find out how they should be leveraged together to increase successful adoption of change – after the project is closed.

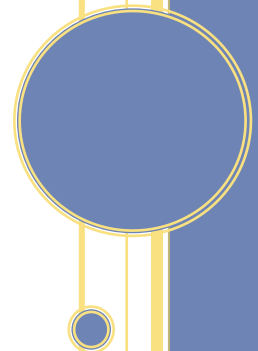


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Course Agenda

Day 1	Day2
8:30 – 9:00 Introductions	8:30 – 9:00 Review
9:00 - 9:30 Intro to OCM	9:00 - 9:30 Scope of OCM
9:30 - 9:45 BREAK	9:30 - 9:45 BREAK
9:45 - 11:30 OCM Framework	9:45 - 11:30 OCM in your Organization
11:30 -12:30 LUNCH	11:30 -12:30 LUNCH
12:30 - 2:00 OCM Framework	12:30 - 2:00 Managing the Change
2:00 - 2:15 BREAK	2:00 - 2:15 BREAK
2:15 - 4:00 PM vs. OCM	2:15 - 3:30 OCM Plan
	3:30 - 4:00 Exam and Evaluation

LESSON 1: WHAT IS ORGANIZATIONAL CHANGE MANAGEMENT ANYWAY?

Topic 1: Why Change?

Topic 2: OCM vs. Change Control

Topic 3: Definitions of the OCM Discipline

Topic 4: Relationship to Organizational Readiness

Student Learning Objectives

After completing this lesson you should be able to

- Understand how OCM supports change initiatives
- Distinguish OCM from Change Control and PM Change Management
- Identify OCM's role in Organizational Readiness

Topic 1: Why Change Management

Why Change?

10,000 ft. View

- External environment is constantly changing
- Shift in customer preferences
- Change in legislation
- Leadership style
- Workforce changes
- Fresh ideas

Hitt et al (2007)

"Change is the only constant."
– Heraclitus, Greek philosopher




There's an old saying that the only things you can count on are "death and taxes". In today's world, the only constant is CHANGE. We live in a world of technology and ever-shifting environments – from political to economic to cultural. Organizations need to be able to respond to such externally and internally driven changes with flexibility. Change initiatives drive projects, but are we truly prepared to ensure the success of the change and not just the project?

Prosci, Inc. is a leader in research and content creation in the field of Change Management. They annually prepare a benchmarking report revealing "Best Practices in Change Management". Their 2011 study was conducted by surveying 650 participants in 62 countries. Of those participants, 70% expect the rate of change at their organizations to increase in the next two years. (©2012 Prosci Inc.)

Think about all the influences that are affecting your organization today. How well prepared are you to adapt to that change effectively? Are you doing everything you can to ensure that change is not only implemented, but adopted and ingrained into your business?

Over the next two days we are going to look above and beyond the project to the entire scope and impact of the CHANGE. It's time to think outside of the **PM-BOX**!

Topic 1: Why Change Management



Why it fails...

No change leadership

- Lack of a well defined or communicated vision
- No compelling reason to change
- Organization does not have change capabilities or capacities

People resist change

- Lack of appropriate training and failure to cope with resistance

Change projects fail because of organizational resistance almost twice as often as they do because of any technical issue, including poor project management.

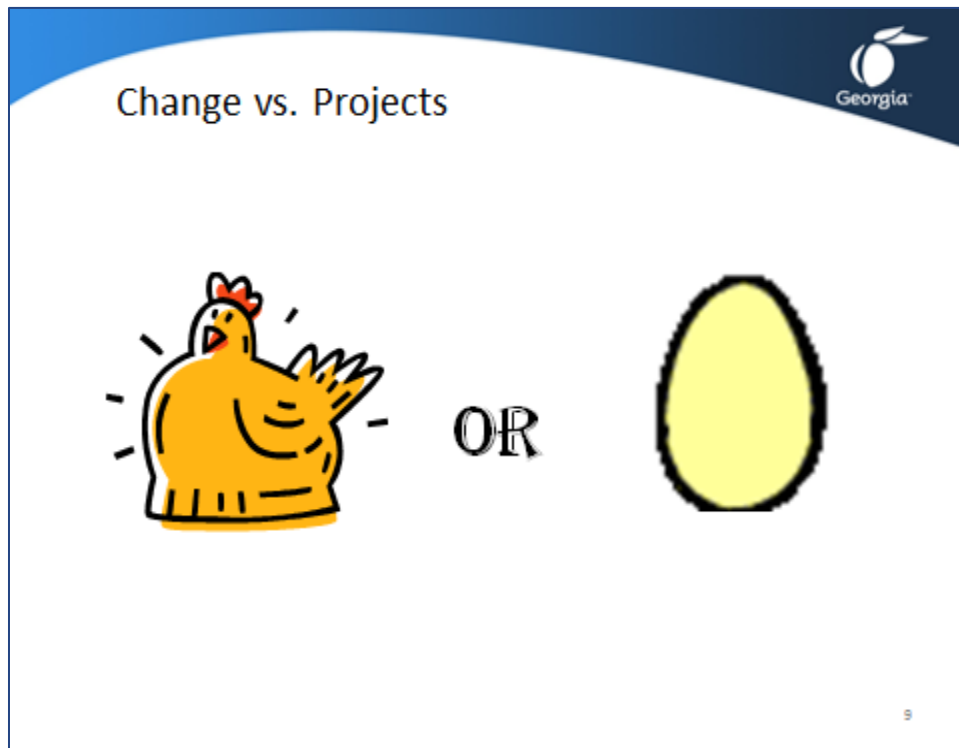
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Industry studies have shown that projects fail due to a lack of strong project management structure and expertise. But, as we know, projects are driven by change initiatives. What is now being explored more carefully is how a structured approach to the “people side” of change is also needed.

Research indicates that companies continue to invest billions in new technology systems and integration. For instance, Gartner estimates that expenditures on new customer relationship management (“CRM”) systems alone are expected to exceed \$1 billion by 2013*. Healthcare is another industry experiencing significant change. IDC Health Insights reports that spending by healthcare organizations on electronic health records (“EHR”) is projected to reach nearly \$4.0 billion by 2015. Therefore, businesses that allocate significant dollars to change projects have a strong economic incentive to invest in a structured approach to change for employees given that the probability of achieving their desired business results is nearly six times higher for organizations effectively applying change management. (Prosci®)

Change management prepares the organization for the project impact, manages the transition from how we do things today to how they will be done tomorrow – and puts special efforts into reinforcing and anchoring the change into the everyday work and life of the organization.

Topic 1: Why Change Management



The reality is:

- Organizations introduce change through projects and initiatives
- Changes impact how individuals do their work
- Success of the change is dependent on the individuals doing their work differently

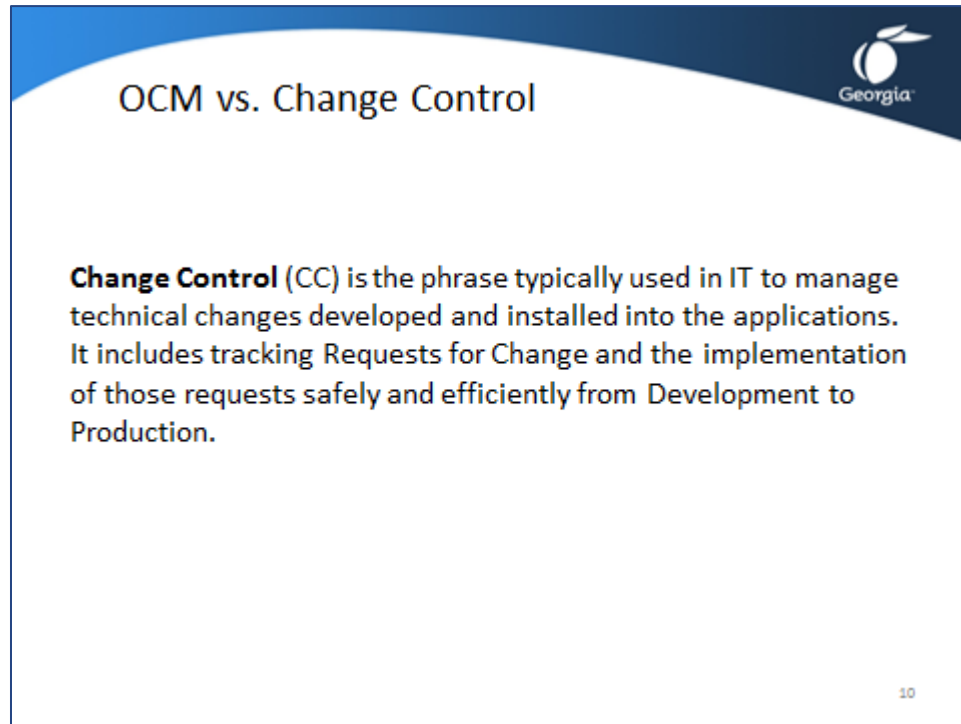
To understand the difference in focus between Organizational Change Management and Project Management requires us to take a broader view than we often do as Project Managers. If an organization desires a change that will improve customer satisfaction, one aspect could be to implement a website for customer feedback (the Project). Without some of the following change activities, the organization could fail to realize the results they desired.

- Clear communication around vision - "I don't know why we are doing this."
- Coaching by supervisor level management – "This doesn't pertain to me. I'm not on the project team. No reason to upset my work."
- Effective role-based training – "I don't know how to use the new technology. My spreadsheets will work just fine." OR "We don't work in IT; our job is meeting with customers. That won't change."

- Comprehensive impact analysis – “Our computers don’t allow us to access the internet.”

Are you considering the scope of the entire change or just the project?

Topic 2: OCM vs. Change Control



OCM vs. Change Control

Change Control (CC) is the phrase typically used in IT to manage technical changes developed and installed into the applications. It includes tracking Requests for Change and the implementation of those requests safely and efficiently from Development to Production.


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In the world of project management, the term change control (or management) is usually associated with two distinct types of change that could impact the project:

- In technology projects, it is critical that there be a structured process in place for introducing changes (e.g. new code or configurations) into the technical environment. This ensures that system performance is minimally impacted to reduce risk and that a defined back-out strategy is in place in case of failure as a result of the changes.
- Project managers also create processes to manage changes to scope of the project by requiring appropriate review and approval for change requests that could affect project cost or duration.

Organizational Change Management is a structured process to introduce change into the entire business organization by addressing the individual needs of all those impacted by the change – whether a participant in the actual project or not. Let's talk about the definition of OCM.

Topic 3: Definitions of the OCM Discipline



OCM Definition(s)

- ...the application of a structured process and set of tools for managing the people side of change to achieve a desired outcome (Prosci®)
- ... a structured approach for ensuring that changes are smoothly and successfully implemented to achieve lasting benefits
- ...a framework structured around the changing needs and capabilities of an organization (Corey Jansen in Techopedia)
- an approach to transitioning individuals, teams, and organizations to a desired future state (Wikipedia)


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Project Management Institute (PMI) is a not-for-profit membership association for the project management profession. PMI's standards for project, program and portfolio management are the most widely recognized in the profession and are captured in *A Guide to the Project Management Body of Knowledge* (PMBOK®). The standards are developed and updated by thousands of PMI volunteers and provide a common language for project management professionals globally. Their definition of project management has come to be accepted as the seminal definition:

“...the application of knowledge, skills, tools and techniques to project activities to meet project requirements” (PMBOK Guide)

OCM does not yet have a similar governing body. A variety of methodologies and approaches are espoused by for-profit consulting and training organizations, which creates some challenges in establishing a true professional discipline. You will find a variety of definitions and terminologies as you read about OCM. Look for the consistent threads and basic concepts that will work in your environment.

Topic 3: Definitions of the OCM Discipline



What it is...	What it is not...
Managing the people side of change	Change control
Structured methodology similar to PM	A gauge for how technology works
A means to ensure that projects actually achieve the business objectives	Organizational Readiness

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OCM is not Change Control. It is managing change at the individual level to ensure that the organization is able to adapt and adopt to the change. Effective change management will lead to organizational readiness and will increase the chances that the business objectives are met.

Topic 4: Relationship to Organizational Readiness



Change management is an approach or a set of activities. Using Stephen Covey's habit #2, begin with the end in mind, you must focus on the desired outcome – which is for the organization to be ready to absorb and adopt the change. The term, "organization readiness" for purposes of our discussion is the desired outcome. OCM activities are very important, but if they don't lead to an increase in the organization's ability to accept change, a failure has occurred similar to projects that fail to meet requirements.

Organizational Change Management helps impacted people accept process, tool and business model changes through techniques such as communication, training and knowledge management. Organizational Readiness is broader, in that it uses those tactics as well as strong leadership, robust program activities and a focus on efficient, effective and mature work practices. Organizational Readiness is the operational effectiveness and workforce alignment that results from change management.

Change agents (OCM team members and supportive leadership) can influence employee readiness for organizational change. Readiness for change is recognized as the opposite of resistance to change. Readiness is generally described in terms of the organizational members' beliefs, attitudes, and intentions. These can be, and should be, influenced by the activities undertaken as part of the OCM framework.

Exercise 1.1: Why Change Management

Lesson 1 Summary: Learning Objectives Recap

- **Understand how OCM supports change initiatives**

Change management prepares the organization for the project impact, manages the transition from how we do things today to how they will be done tomorrow – and puts special efforts into reinforcing and anchoring the change into the everyday work and life of the organization.

- **Distinguish OCM from Change Control and PM Change Management**

Change control is a process to manage changes introduced into the project environment (technical or scope) that could create risk for the project. These changes are managed through documentation, review, escalation and approval activities.

OCM is a structured process focused on the “people side” of change; to assist in transitioning people from the current state to a desired future vision for the business.

- **Identify OCM’s role in Organizational Readiness**

Organizational Change Management helps impacted people accept process, tool and business model changes through techniques such as communication, training and knowledge management. Organizational Readiness is the operational effectiveness and workforce alignment that results from change management.

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LESSON 2: UNDERSTANDING THE OCM FRAMEWORK

Topic 1: Brief History

Topic 2: Various OCM Methodologies

Topic 3: Consistently Defined Concepts


Topic 4: ACMP

Student Learning Objectives

After completing this lesson you should

- Understand where the discipline of OCM is in its development
- Be familiar with various OCM methodologies
- Understand the basic precepts of OCM

Topic 1: The Stage Gate Review Defined

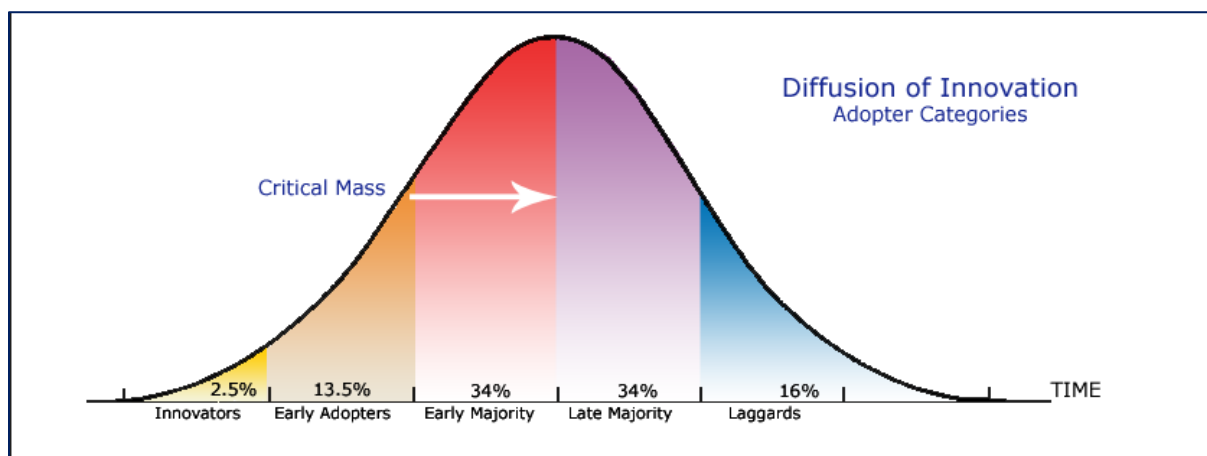


Brief History of OCM

- *Diffusion of Innovation* written in 1962 – how people adopt new ideas and technology
- 1969 – *On Death and Dying*
- 1980's began to emerge as a discipline
- 1993 – *Managing at the Speed of Change* – influenced management consulting firms during 80s and 90s (need to understand the human performance and adoption techniques to help ensure innovations were absorbed and adopted)
- 1996 - Prosci® began conducting full-time research and content development globally on OCM best practices
- 2000s widespread acceptance globally of Change Management as a business competency. Benchmarking data on "use of a methodology" shows a marked increase from 34% in 2003 to 72% in 2011 – as many as 320 consulting firms identified as offering CM services by 2011
- 2009 – Attendees at the Global Conference for Change joined together to establish an international organization dedicated to the development of OCM standards and practices
- 2010, Christina Dean, Managing Director of Uniforte Pty Ltd, established Change Management as a formal vocation in Australia by writing the Australian National Competency Standards in Organisational and Community Change Management.

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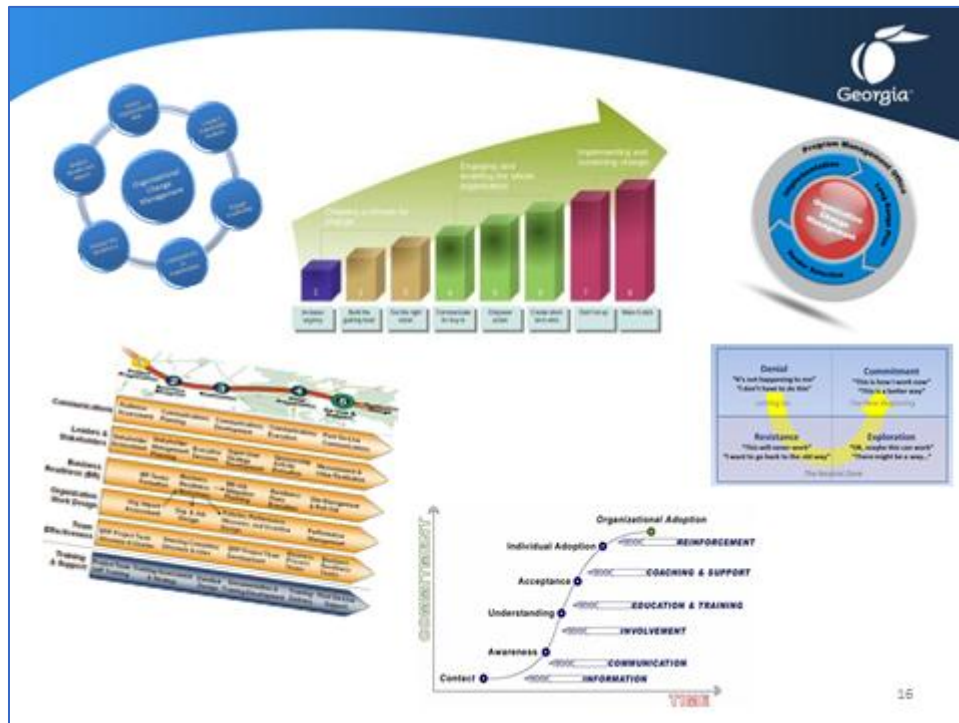
Relatively speaking, the concept of Organizational Change Management is still in its infancy as an industry accepted best practice. Some of the basic concepts were first introduced in a publication in the early 1960s.



Diffusion of Innovations is a theory that seeks to explain how, why, and at what rate new ideas and technology spread through cultures. Everett Rogers, a professor of sociology, popularized the theory in his 1962 book *Diffusion of Innovations*.

In 1969 Elisabeth Kubler-Ross wrote **On Death and Dying**, introducing the various stages of grief. These are commonly associated with any level of loss or disruption to individual norms (e.g. job loss or change, physical move, marriage or divorce, etc.) and have been integrated into OCM methodologies.

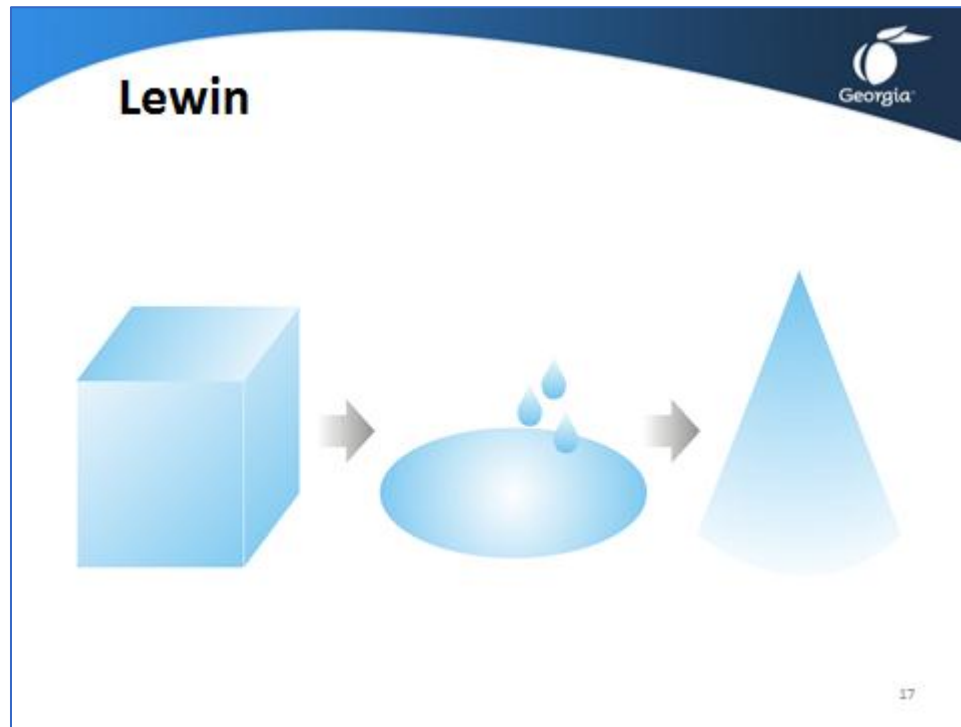
Topic 2: Various Methodologies



The field of OCM is somewhat like the old Wild West. There are many gun-toting experts out there who can sell you a methodology guaranteed to make your change successful. So, how do you know what you really need?

Without internationally adopted standards such as those driven by the Project Management Institute (PMI) or the International Organization of Standards (ISO), it can be confusing to know where to start. OCM is, relatively speaking, still in its infancy as a full-fledged, accredited professional designation. As you will see, there are any number of proprietary methodologies or systematic approaches to implementing change management, with some highly recognized and accepted leaders in the mix. Until the standards are developed to create that “baseline” of understanding and language, let’s start by simply looking at a few of the most well known.

Topic 2: Various Methodologies



One of the cornerstone models for understanding organizational change was developed by Kurt Lewin back in the 1950s, and still holds true today. His model is known as Unfreeze – Change – Refreeze, refers to the three-stage process of change he describes. Lewin, a physicist as well as social scientist, explained organizational change using the analogy of changing the shape of a block of ice.

Unfreeze

This first stage of change involves preparing the organization to accept that change is necessary, which involves break down the existing status quo before you can build up a new way of operating.

Key to this is developing a compelling message showing why the existing way of doing things cannot continue. This is easiest to frame when you can point to declining sales figures, poor financial results, worrying customer satisfaction surveys, or suchlike: These show that things have to change in a way that everyone can understand.

Change

After the uncertainty created in the unfreeze stage, the change stage is where people begin to resolve their uncertainty and look for new ways to do things. People start to believe and act in ways that support the new direction.

The transition from unfreeze to change does not happen overnight: People take time to embrace the new direction and participate proactively in the change. In order to accept the change and contribute to making the change successful, people need to understand how the changes will benefit them. Not everyone will fall in line just because the change is necessary and will benefit the company. This is a common assumption and pitfall that should be avoided.

Refreeze

When the changes are taking shape and people have embraced the new ways of working, the organization is ready to refreeze. The outward signs of the refreeze are a stable organization chart, consistent job descriptions, and so on. The refreeze stage also needs to help people and the organization internalize or institutionalize the changes. This means making sure that the changes are used all the time; and that they are incorporated into everyday business.

With a new sense of stability, employees feel confident and comfortable with the new ways of working. The rationale for creating a new sense of stability in our ever changing world is often questioned. Even though change is a constant in many organizations, this refreezing stage is still important. Without it, employees get caught in a transition trap where they aren't sure how things should be done, so nothing ever gets done to full capacity. In the absence of a new frozen state, it is very difficult to tackle the next change initiative effectively.

As part of the Refreezing process, make sure that you celebrate the success of the change – this helps people to find closure, thanks them for enduring a painful time, and helps them believe that future change will be successful.

Key Points

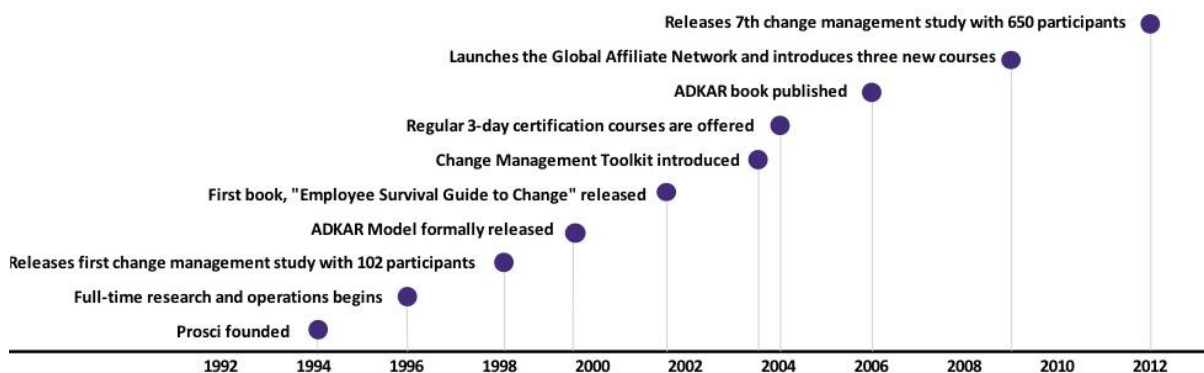
Lewin's change model is a simple and easy-to-understand framework for managing change.

By recognizing these three distinct stages of change, you can plan to implement the change required. You start by creating the motivation to change (unfreeze). You move through the change process by promoting effective communications and empowering people to embrace new ways of working (change). And the process ends when you return the organization to a sense of stability (refreeze), which is so necessary for creating the confidence from which to embark on the next, inevitable change.

Topic 2: Various Methodologies



Founded in 1994, Prosci began conducting formal change management studies in 1997, released in 1998. They have since performed a variety of studies over the next two decades producing the largest body of knowledge on change management. In 2001 Prosci released their first book for employee's titled the "Employee's Survival Guide to Change," and in 2003 Prosci began offering open enrollment certification programs for change management professionals. By 2006 the Prosci® ADKAR® Model had become increasingly popular world-wide, and Prosci formally presented the model in Jeff Hiatt's book, "ADKAR: A model for change in business, government and our community." They are widely accepted as having one of the leading methodologies and certification programs in the discipline.



ADKAR® is based on a five-step approach:

Awareness

- What is the nature of the change?
- Why is the change needed?
- What is the risk of not changing?

Desire

- What's in it for me (WIIFM)?
- A personal choice
- A decision to engage and participate

Knowledge

- Understanding how to change
- Learning new skills

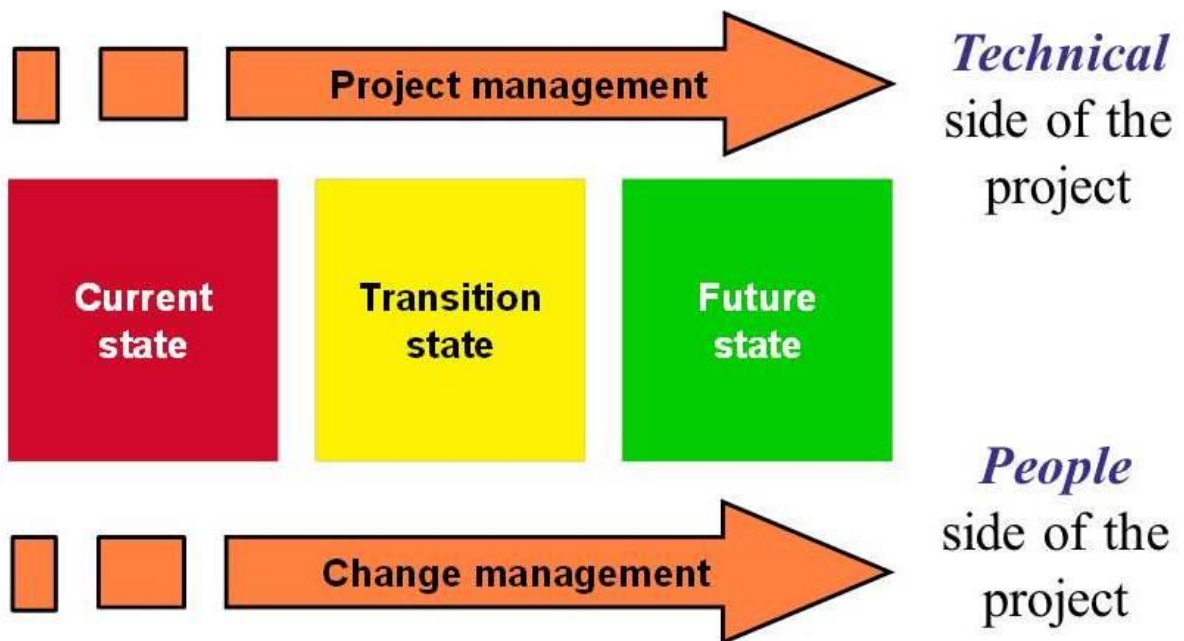
Ability

- The demonstrated capability to implement the change
- Achievement of the desired change in performance or behavior

Reinforcement

- Actions that increase the likelihood that a change will be continued
- Recognition and rewards that sustain the change

Prosci®, like Lewin, bases their model on three states of change:

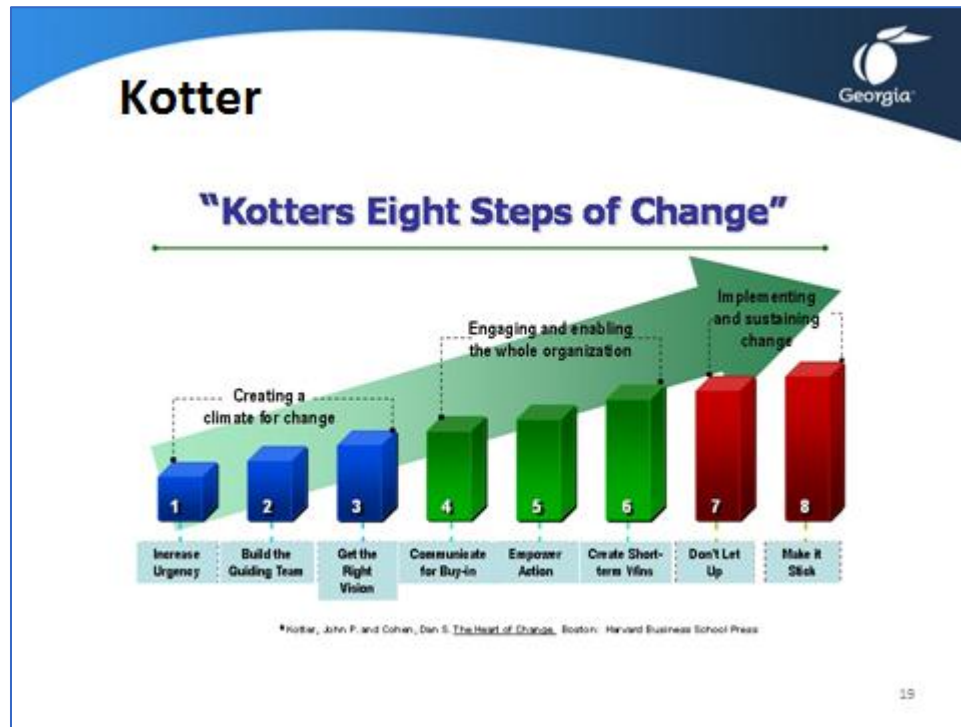


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For more information about their methodology and certification program, go to:

www.prosci.com

Topic 2: Various Methodologies



There are many theories about how to "do" change. Many originate with leadership and change management guru, John Kotter. A professor at Harvard Business School and world-renowned change expert, Kotter introduced his eight-step change process in his 1995 book, "Leading Change."

Step 1: Create Urgency

For change to happen, it helps if the whole company really wants it. Develop a sense of urgency around the need for change.

What you can do:

- Identify potential threats, and develop scenarios showing what could happen in the future.
- Examine opportunities that should be, or could be, exploited.
- Start honest discussions, and give dynamic and convincing reasons to get people talking and thinking.
- Request support from customers, outside stakeholders and industry people to strengthen your argument.

Note:

Kotter suggests that for change to be successful, 75 percent of a company's management needs to "buy into" the change.

Step 2: Form a Powerful Coalition

Convince people that change is necessary. This often takes strong leadership and visible support from key people within your organization. To lead change, you need to bring together a coalition, or team, of influential people whose power comes from a variety of sources, including job title, status, expertise, and political importance.

What you can do:

- Identify the true leaders in your organization.
- Ask for an emotional commitment from these key people.
- Work on team building within your change coalition.
- Check your team for weak areas, and ensure that you have a good mix of people from different departments and different levels within your company.

Step 3: Create a Vision for Change

A clear vision can help everyone understand why you're asking them to do something.

What you can do:

- Determine the values that are central to the change.
- Develop a short summary (one or two sentences) that captures what you "see" as the future of your organization.
- Create a strategy to execute that vision.
- Ensure that your change coalition can describe the vision in five minutes or less.
- Practice your "vision speech" often.

Step 4: Communicate the Vision

Your message will probably have strong competition from other day-to-day communications within the company, so you need to communicate it frequently and powerfully, and embed it within everything that you do. Don't just call special meetings to communicate your vision. Instead, talk about it every chance you get. It's also important to "walk the talk."

What you can do:

- Talk often about your change vision.
- Openly and honestly address peoples' concerns and anxieties.
- Apply your vision to all aspects of operations – from training to performance reviews. Tie everything back to the vision.
- Lead by example.

Step 5: Remove Obstacles

If you follow these steps and reach this point in the change process, you've been talking about your vision and building buy-in from all levels of the organization. But is anyone resisting the change? And are there processes or structures that are getting in its way? Put in place the structure for change, and continually check for barriers to it.

What you can do:

- Identify, or hire, change leaders whose main roles are to deliver the change.
- Look at your organizational structure, job descriptions, and performance and compensation systems to ensure they're in line with your vision.
- Recognize and reward people for making change happen.
- Identify people who are resisting the change, and help them see what's needed.
- Take action to quickly remove barriers (human or otherwise).

Step 6: Create Short-term Wins

Nothing motivates more than success. Give your company a taste of victory early in the change process. Within a short time frame (this could be a month or a year, depending on the type of change); you'll want to have results that your staff can see. Create short-term targets – not just one long-term goal.

What you can do:

- Look for sure-fire projects that you can implement without help from any strong critics of the change.
- Don't choose early targets that are expensive. You want to be able to justify the investment in each project.
- Thoroughly analyze the potential pros and cons of your targets. If you don't succeed with an early goal, it can hurt your entire change initiative.
- Reward the people who help you meet the targets.

Step 7: Build on the Change

Kotter argues that many change projects fail because victory is declared too early. Real change runs deep. Quick wins are only the beginning of what needs to be done to achieve long-term change. Each success provides an opportunity to build on what went right and identify what you can improve.

What you can do:

- After every win, analyze what went right and what needs improving.
- Set goals to continue building on the momentum you've achieved.
- Learn about kaizen, the idea of continuous improvement.
- Keep ideas fresh by bringing in new change agents and leaders for your change coalition.

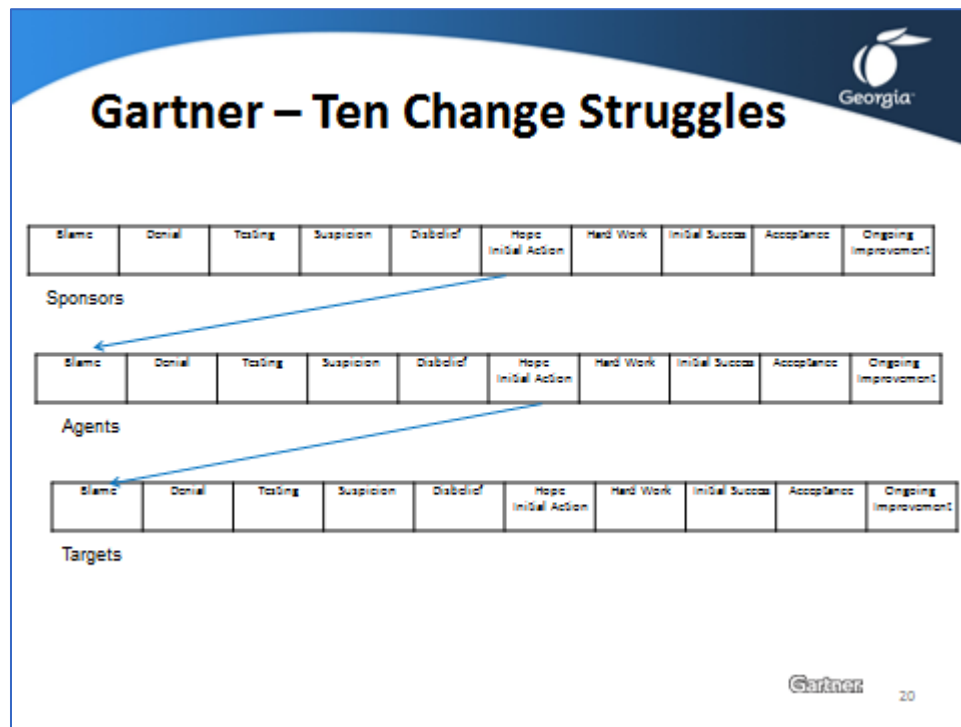
Step 8: Anchor the Changes in Corporate Culture

Finally, to make any change stick, it should become part of the core of your organization. Your corporate culture often determines what gets done, so the values behind your vision must show in day-to-day work. It's also important that your company's leaders continue to support the change. This includes existing staff and new leaders who are brought in. If you lose the support of these people, you might end up back where you started.

What you can do:

- Talk about progress every chance you get. Tell success stories about the change process, and repeat other stories that you hear.
- Include the change ideals and values when hiring and training new staff.
- Publicly recognize key members of your original change coalition, and make sure the rest of the staff – new and old – remembers their contributions.
- Create plans to replace key leaders of change as they move on. This will help ensure that their legacy is not lost or forgotten.

Topic 2: Various Methodologies



Gartner, Inc. is an American information technology research and advisory firm headquartered in Stamford, Connecticut, United States. (It was known as **GartnerGroup** until 2001.) It is an information technology research and advisory company providing technology related insight. Research provided by Gartner is targeted at CIOs and senior IT leaders in industries that include government agencies, high-tech and telecom enterprises, professional services firms, and technology investors.

They have identified a concept of change that is based on ten stages of struggle:

- Blame
- Denial
- Testing
- Suspicion
- Disbelief
- Hope – Initial Action
- Hard Work
- Initial Success
- Acceptance
- Ongoing Improvement

One of their key lessons is that various stakeholders to change (sponsors, change agents and targets) will progress through the Change Struggles at different times. The decision-making and action processes associated with change mandate that different groups will be introduced to the idea of change at different times.



- Executives/Sponsors must initially approve the change. Logically they are the first group to reach a level of agreement that the change is necessary and will bring benefit.
- Change agents are engaged by the sponsors to help lead the change to successful results. They must also go through a transition process to be able to understand the scope of the impact of change and develop a workable strategy to address it.
- Finally, are the targets of change. They are generally the last to know, and will potentially feel the most impact. This group should be given time, information and tools to be able to adapt to the change.

It is critical to understand the varying progressions through the cycle.


What you can do:

- Ensure that your sponsors are aware of the time necessary to bring targets to a level of Hope/Initial Action.
- Build steps in your communication plan to measure key constituents at every step to gauge where they are in the progression and how you need to align your message.
- Create cross functional collaboration (project management, business process expertise, change management expertise and human resource expertise) to reach optimum acceptance.

Topic 3: Consistent Concepts



Boil it all down.....



- 1) Communicate a clear vision
- 2) Understand change impacts at the individual level
- 3) Identify and respond to resistance
- 4) Prepare people for the change; create buy-in
- 5) Use metrics to measure success against objectives

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A globally accepted language or methodology for OCM is not yet in place. As a result, one can find a variety of approaches presented by a myriad of consulting organizations. Prosci is the sole not-for-profit organization dedicated to content development and data gathering in the world of OCM.

Through this review of some of the most well-known leaders in the industry, there are some comparable, recurring tenets. Whether you adopt a 3-step, 5-step, 8-step or 10-step process, there are some key elements to an effective OCM approach.

Successful change management is more likely to occur if the following are included:

1. Create a strong business case for the change; one that is clearly aligned with the business mission and strategic goals of the organization and can show why the change must be done (and why NOW).
2. Consider the comprehensive impacts of the change – not just those associated with technology or a new business process.
3. Effective communications that informs various stakeholders of the reasons for the change (why?), the benefits of successful implementation (what is in it for us, and you) as well as the details of the change (when? where? who is involved? how much will it cost? etc.)
4. Devise an effective education, training and/or skills upgrading scheme for the organization

5. Counter resistance from the employees and align them to overall strategic direction of the organization
6. Provide personal counseling (if required) to alleviate any change-related fears
7. Monitoring of the implementation and fine-tuning as required

Topic 4: ACMP



The Association of Change Management Professionals (ACMP) is a new organization. Their website states their mission as:

ACMP is dedicated to advancing the discipline and profession of change management practices that support the success of individual and organizational change for the realization of intended business results.

Some facts about the organization:

- Born from the interest of 200 attendees at the 2009 Global Conference on Change
- Incorporated as a not for profit professional membership organization 2011
- ACMP Membership has grown to over 1400 members across all seven continents in two years – and continues to grow!
- ACMP is the leading resource for access to change management education, information and networking.
- ACMP is leading development of the first global standard in change management and subsequent professional credential – The Certified Change Management Professional (CCMP®).

- ACMP's vibrant virtual community connects you with thousands of change practitioners and service providers giving you instant access to information and best practices for managing change.
- ACMP's Annual Global Change Management Conference is recognized as the leading education and professional networking conference for change thought leaders and practitioners around the world for discovery and experience of new trends and best practices in change management.

For additional information, go to:

<http://www.acmpglobal.org>

Exercise 2.1: Key Benefits and Concepts of OCM

Lesson 2 Summary: Learning Objectives Recap

- **Understand where the discipline of OCM is in its development**

OCM is a relatively young discipline; only broadly adopted in the late 90s and early 2000s. There is not currently a common language or methodology that has been accepted globally. Most sources for OCM training and tools are provided by for-profit consulting organizations at this time.

- The Association of Change Management Professionals was incorporated as a not-for-profit professional organization in 2011. They began work in October 2012 on the first global standard in change management and subsequent professional credential – The Certified Change Management Professional (CCMP®).

- **Be familiar with various OCM methodologies**

There are a number of leading organizations providing proprietary approaches and training in the OCM discipline. Some of the most notable names in the industry and the basic steps in their approaches are listed in the table below:

Lewin	Prosci	Kotter
Unfreeze	Awareness	Create Urgency
Change	Desire	Form a Powerful Coalition
Refreeze	Knowledge	Create a Vision for Change
	Ability	Communicate the Vision
	Reinforcement	Remove Obstacles
		Create Short-term Wins
		Build on the Change
		Anchor the Changes

- **Understand the basic precepts of OCM**

Basic concepts of OCM theory:

- Know why you are changing
- Understand how it will impact the organization
- Recognize and address resistance to change
- Plan activities that will prepare people for the change
- Assess and reinforce the change

[illegible]

LESSON 3: PROJECT MANAGEMENT VS. OCM

Topic 1: A different focus

Topic 2: How OCM relates to **PMBOK®**

Topic 3: OCM Skill Sets and Roles

Topic 4: Integrated Processes

Topic 5: Shared Goals and Challenges

Student Learning Objectives

After completing this lesson you should be able to

- Understand how OCM process relates to Project Management
- Identify the skill sets needed for OCM team members
- Understand how to integrate OCM tasks into a project plan

Topic 1: A different focus?

Is Project Management alone enough?

Top 3 criteria by which stakeholders judge a project's success:

- **Product:** Met client requirements
- **Use:** Being used by the client organization
- **Value:** Efficiency/effectiveness for the client organization

?
On Time

?
On Budget

?
In Scope

Gartner 26

“...too many organizations, when forming their project teams, make the incorrect assumption that project managers (PMs) and/or business analysts (BAs) will handle OCM. But these people have far too many other responsibilities to be able to devote the necessary time and energy to do an effective job at OCM. And with all due respect to their capabilities, they cannot possibly have sufficient knowledge of, and experience with OCM... Change projects fail because of organizational resistance almost twice as often as they do because of any technical issue, including poor project management. It appears almost irresponsible to convey a message that says that focusing on the steps of the project management process is sufficient to ensure success.” *The Need to Integrate Project Management and Organizational Change* by Henry Hornstein, March/April 2012 [Ivey Business Journal](#)

Success in Project Management is as much about creating ownership and shared meaning as it is about following the process steps. Project management needs to consider the entire lifecycle of a system, to extend its thinking beyond design and development.

Project management and change management each contribute a critical ingredient to successful change. Although they vary in terms of focus and approach, each are essential in order to navigate the transition state to reach a future state. ©2012 Prosci

Topic 1: A different focus?

Back to the top.....

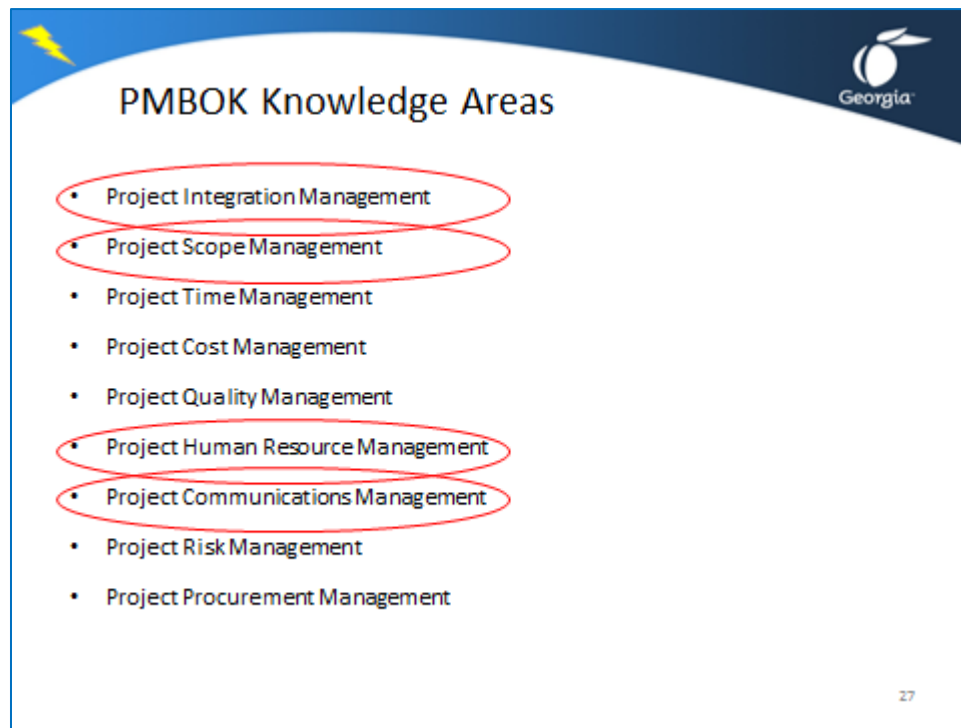
Element	Goal or Objective
"The change"	To improve the organization in some fashion – for instance reducing costs, improving revenues, solving problems, seizing opportunities, aligning work and strategy, streamlining information flow within the organization
Project Management	To develop a set of specific plans and actions to achieve "the change" given time, cost and scope constraints and to utilize resources effectively (managing the 'technical' side of the change)
Change Management	To apply a systematic approach to helping the individuals impacted by "the change" to be successful by building support, addressing resistance and developing the required knowledge and ability to implement the change (managing the 'people' side of the change)

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Change Management	Project Management
Definition: Change management is the application of processes and tools to manage the people side of change from a current state to a new future state such that the desired results of the change (and expected return on investment) are achieved. <i>*From PROSCI®</i>	Definition: Project management is the application of knowledge, skills, tools and techniques to project activities to meet project requirements. <i>*From PMBOK® Guide</i>
Intent: To ensure that the solution is embraced, adopted and used by employees impacted by the change	Intent: To ensure that the solution is designed, developed and delivered effectively
Focus: Employees impacted by a project or initiative (those who must adopt and use the change)	Focus: Tasks and activities required to create and implement the technical solution associated with a change
Scaling factors: Characteristics of the change, attributes of impacted organizations, degree of "people" change required	Scaling factors: Complexity and degree of technical change associated with the particular project or initiative
Process: From the PROSCI® 3-Phase Process <ul style="list-style-type: none"> Phase I – Preparing for change Phase 2 – Managing change Phase 3 – Reinforcing change™ 	Process: From PMBOK® Guide <ul style="list-style-type: none"> Initiating Planning Executing Monitoring and controlling Closing

<p>Tools: Common tools used in change management</p> <ul style="list-style-type: none"> • Individual change model • Readiness assessments • Communication plans • Sponsor roadmaps • Coaching plans • Training plans • Resistance management • Reinforcement mechanisms 	<p>Tools: Common tools used in project management</p> <ul style="list-style-type: none"> • Statement of Work • Project Charter • Business Case • Work breakdown structure • Gantt chart • Budget estimations • Resource allocation • Schedule/tracking
<p>Measurement of success: Measurement focused on the “people side” of change elements, including:</p> <ul style="list-style-type: none"> • Speed of adoption by impacted employees • Ultimate utilization by impacted employees • Proficiency of impacted employees • Achievement of results and outcomes* <p>*Because results and outcomes are dependent on individuals adopting the change, this is a primary focus</p>	<p>Measurement of success: Measurement focused on the “technical side” of change elements, primarily:</p> <ul style="list-style-type: none"> • On time • On budget • Meets technical requirements • Achievement of results and outcomes* <p>*In some cases, intended results and outcomes take a secondary role behind time and budget targets</p>
<p>Practiced by: Change management includes a system of “doers” throughout the organization, not just change management practitioners, including:</p> <ul style="list-style-type: none"> • Executives and senior leaders: sponsoring the change • Managers and supervisors: coaching their direct reports through the change 	<p>Practiced by: Project management is typically practiced by a project manager and a project team assigned to a specific project or initiative.</p> <ul style="list-style-type: none"> • Project managers: manage the tasks, activities and resources to execute the technical side of the effort • Project team: comprised of subject matter experts and representatives from the organization

Topic 2: How OCM relates to PMBOK® Knowledge Areas



There are four knowledge areas in Project Management that have been linked to OCM:

Project Integration Management coordinates the other areas to work together throughout the project.

Project Scope Management is a set of processes used to ensure that the project includes all of the requirements and no new requirements are added in a way that could harm the project.

Human Resource Management includes all of the processes used to develop, manage and put the project team together.

Communication Management determines what information is needed, how that information will be sent and managed, and how project performance will be reported.


There could be an argument for including one more:

Quality Management ensures that the project meets its requirements, or does what it is expected to do.

Project management quality however, is generally restricted to validating that the “product” implemented performs in the way defined during Requirements gathering. The product may perform as designed, but if it is not adopted and absorbed into the business environment effectively, then the change has not been successful.

We will look at each of the PMBOK® processes within the four knowledge areas to see where the touch points are between PM and OCM.

Topic 2: How OCM relates to the PMBOK® knowledge areas



Integration Management	
PMBOK® Guide Process	OCM Best Practices
Develop Project Charter	<ul style="list-style-type: none">Explicitly address need for OCM in project charter (as appropriate)Ensure there is a lead for OCM
Develop Project Management Plan	<ul style="list-style-type: none">Define OCM as a process area in the Project Management PlanCreate an OCM plan (as appropriate)
Monitor and Control Project Work	<ul style="list-style-type: none">Report progress of OCM activities for project metricsCapture project progress and milestones for use in OCM communications (input to OCM – output from PM)
Close Project Phase	<ul style="list-style-type: none">Ensure and measure effective transition of project from project team to future business ownerObtain business owner acceptance of ongoing OCMTransfer ownership and celebrate success*

*Note: This only represents project success – not "the change"

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Develop Project Charter – The charter for the project should include an agreed upon approach and strategy for OCM. Later in this course, we will identify some of the key elements that should be included and look at whether or not one charter is sufficient for a complex OCM initiative.

Develop Project Management Plan – Again, OCM must be included as a key area of work in the plan. Depending on the scope of OCM to be utilized, you may want to create a separate OCM plan. More information on this later as well....

Monitor and Control Project Work – OCM activities should be managed and tracked similarly to PM activities. Outputs from this process (status and milestones) will become inputs to the OCM process for developing communication materials and assessing employee awareness and readiness for the change.

Close Project Phase – This phase serves as a milestone for OCM. Much of the OCM work will be done post-project close; to begin tracking adoption of the product into the environment. Transfer of ownership to the business should be communicated effectively. Many sectors of the organization will only celebrate success when they begin to realize the benefits of the change, which may not come immediately.

Topic 2: How OCM relates to the PMBOK® knowledge areas

Scope/Schedule Management	
PMBOK® Guide Process	OCM Best Practices
Collect Requirements	<ul style="list-style-type: none">Assess project scope and objectives to determine scope of change impact to organizationDocument business benefits requirements and success metrics
Define Scope	<ul style="list-style-type: none">Define OCM as an integral part of project scope and explicitly address in WBS and master schedule
Develop Schedule	<ul style="list-style-type: none">Plan work so there are "Quick Hits" or "Early Wins"Design master schedule to reflect overall organizational change management strategy and milestones
Verify Scope	<ul style="list-style-type: none">Measure performance in meeting OCM objectives

Collect Requirements – There is often a tendency to focus success metrics on the performance of new tools, rather than processes. Spend time with the business owner to understand their expectations of the benefits from the change investment. Make sure that success metrics are captured to reflect:

- Possible savings due to reductions in overhead costs (imaging vs. paper documents)
- Anticipated timelines for realization of benefits
- Reduction in time to process transactions, improving business processes
- Improvements in customer satisfaction (from x% Very Satisfied to y %)

Define Scope – Include OCM processes and activities within the scope of the project during early planning stages; not as an afterthought when problems arise.

Develop Schedule – Develop an integrated schedule to reflect both PM and OCM activities. Consider interdependencies between the activities and make certain all parties have signed-off on the commitments. Think about early wins that can be communicated to increase organization readiness for the change.

Verify Scope – Use OCM metrics to assess performance of the entire change effort – not just development of the project product.

Topic 2: How OCM relates to the PMBOK® knowledge areas

Human Resources Management	
PMBOK® Guide Process	OCM Best Practices
Develop Human Resource Plan	<ul style="list-style-type: none">Determine the appropriate organizational structure for the project (OCM and PM teams)Ensure there is an OCM SME assignedEnsure current business owners and HR SMEs are included as part of project team
Acquire Project Team	<ul style="list-style-type: none">Provide senior management with sufficient information to identify and assign appropriate resources for OCM
Develop Project Team	<ul style="list-style-type: none">Provide OCM training to project leaders, change agents and business owners
Manage Project Team	<ul style="list-style-type: none">Look for opportunities to transition project team members with strong ownership to the future business owner organizationHave processes in place to continue OCM team past project close

Develop Human Resource Plan - PMBOK® focuses on the Human Resource needs of the project team, and managing that team throughout the project. OCM takes a broader view and looks at the Human Resource needs of the organization to effectively respond to the change. Make certain that a Human Resource SME is included in the planning for the change. They can provide valuable expertise in defining the scope of the change, as well as guidance on how to coach and train staff.

Acquire Project Team – Ensure that resources are identified and committed for OCM as well. Consider the different skill sets from those required to deliver the project. Don't rely exclusively on technical resources to perform change management activities. Once you have assessed the level of change impact (see Lesson 4), determine the roles and skills needed.

Develop Project Team – Many organizations will have a mature level of understanding around Project Management, but lack knowledge of OCM. Executives and managers will need to be included early and given orientation and training to their roles in change management.

Manage Project Team – It is important to remember that the OCM team will continue to support the change after the project is closed out. Make certain you have a structure in place for continued tracking and reporting on adoption success.

Topic 2: How OCM relates to the PMBOK® knowledge areas

Communication Management	
PMBOK® Guide Process	OCM Best Practices
Identify Stakeholders	<ul style="list-style-type: none">Identify sponsors, stakeholders and change agentsConduct stakeholder analysis (with broader focus)
Plan Communication	<ul style="list-style-type: none">Develop communication strategies that address both project and change objectivesDevelop sponsor roadmap for continuous change coachingLink communications plan to overall project plan
Distribute Information	<ul style="list-style-type: none">Use multiple communication channels, tailored to audience
Manage Stakeholder Expectations	<ul style="list-style-type: none">Understand business objectives; help set realistic expectations; escalate resistance issues and mitigation actions taken
Report Performance	<ul style="list-style-type: none">Include OCM metrics in performance reportingCommunicate both OCM and project status and success

Identify Stakeholders – Expand the view of stakeholder analysis to ensure you have considered everyone who will be impacted by the change, rather than focusing on the project alone. Begin to develop a repository of information about key leaders in your organization and how they support change efforts. This will help to identify champions for change in future efforts.


Plan Communication – Develop communication strategies that will address both project and change objectives. Create a sponsor roadmap to ensure that continuous coaching and “cheerleading” occurs before, during and after the project. Tailor communication for WIIFM and individual change messages.

Distribute Information – Be creative and use a wide variety of communication vehicles.

Manage Stakeholder Expectations – Focus on business objectives. Make certain there is a clear understanding between the business and the project team about expectations for success. (Will the business owner call it a success if their employees are frustrated and don’t understand new processes or tools?) Manage resistance and escalate when appropriate.

Report Performance – Don’t forget to include progress against OCM tasks and milestones.

Topic 2: How OCM relates to the PMBOK® knowledge areas



Stakeholder/Sponsor Register

The Stakeholder Register is the primary output to the Identify Stakeholder process. It includes:

- **Identification Information:** name, organizational position, location, role in the project, contact information.
- **Assessment Information:** Major requirements, main expectations, potential influence in the project, phase in the life cycle with the most interest; and
- **Stakeholder classification:** Internal/external, supporter/neutral/resistor, etc.

Courtesy of C. Milsted - Managing Project Requirements

For OCM you must also consider:

- Knowledge of change management processes and principles
- Willingness to be an active and visible sponsor for the change
- Success rate as a sponsor of past change projects
- Ability to communicate the vision and need for change
- Credibility with organization (will employees and managers listen?)
- Degree of direct control sponsor has over people and processes impacted

Expand the information you gather during planning for your Stakeholder Register. An OCM sponsor cannot participate merely by reviewing deliverables and attending Steering Committee Meetings. They must be a visible champion for the changes to the organization. Managers must assist in actively coaching their staff on the new way of conducting business. Make sure you know which leaders will be the best to perform these activities.

Consider:

- Are they familiar with OCM?
- Will they be comfortable being an active and visible sponsor?
- How have they managed changes in the past?
- Are they good communicators?
- Do the employees have respect for them?
- How much control do they have over the areas impacted?

Topic 3: OCM Skill Sets and Tools



Project Manager	Project Team Members	OCM and Team
Communication skills	Open Communication	Communication skills
Team Building	Team worker	Change Management competency
Conflict Management	Honesty	Flexibility
Industry and Solution Knowledge	Technical Expertise	Interpersonal Skills
Time Management	Follow through on commitments	

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Consider sample skills that may be needed for a project team:

<u>Technology Implementation:</u>	Developer Infrastructure Architect Business Analyst Technical Writer Web Designer
<u>Construction:</u>	Concrete work Welder Machinist Electrical Engineer Architect Crew Foreman
<u>Merger:</u>	Financial analyst Legal analyst Contracts specialist Organizational Branding expert Activity Based Costing consultant Facilities appraiser

Without focused and dedicated OCM resources, the changes that initiated the projects may not have an opportunity for success. The Project Manager's organizational and time management skills

– couple with their industry knowledge – will provide them with the ability to effectively manage the identified resources to meet the project objectives. The “people side” of the change requires an understanding of the change impacts and resources that can exclusively address the needs of the individuals impacted.

Topic 3: OCM Skills Sets and Tools

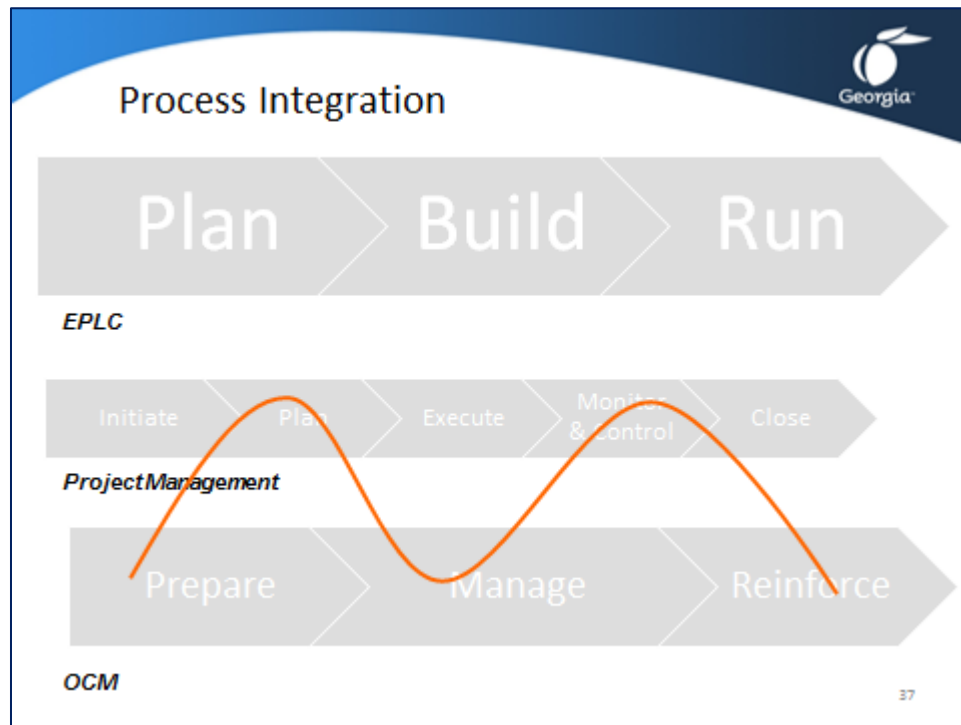


Project Management	Organizational Change Management
Business Case Project Charter Budget Estimations Work Breakdown Structure Resource Allocations Scheduling and tracking	Organizational Assessments Stakeholder mapping Communication and coaching plans Training programs Sponsorship Road Map Reinforcement activities

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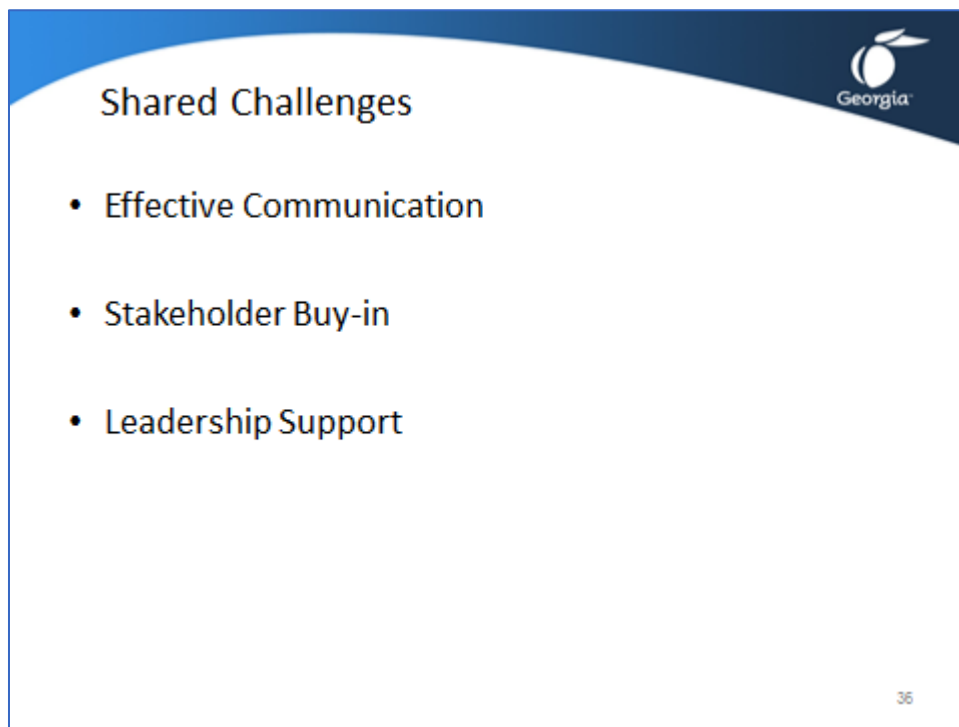
When an OCM methodology is applied, there can be clear delineation of responsibilities between the Project Manager and Organizational Change Manager. Some of the plans that have historically been the responsibility of the Project Manager can, and should, be reallocated. The chart shows those deliverables that could be easily broken out between the two teams – keeping in mind that those assigned to OCM must continue to address the project needs.

Topic 4: Integrated Processes



Integration between the state's Enterprise Performance Life Cycle (Plan, Build, Run) and Project Management Process Groups (Initiate, Plan, Execute, Monitor & Control, Close) has been presented in the [Managing by the EPLC](#) Project Management course. OCM has a similar three-stage approach – Prepare, Manage, Reinforce. The spacing on this chart reflects the fact that both EPLC and OCM continue on beyond the close of the project. The methodologies are complimentary and should be looked at as parallel, yet interdependent.

Topic 5: Shared Goals and Challenges

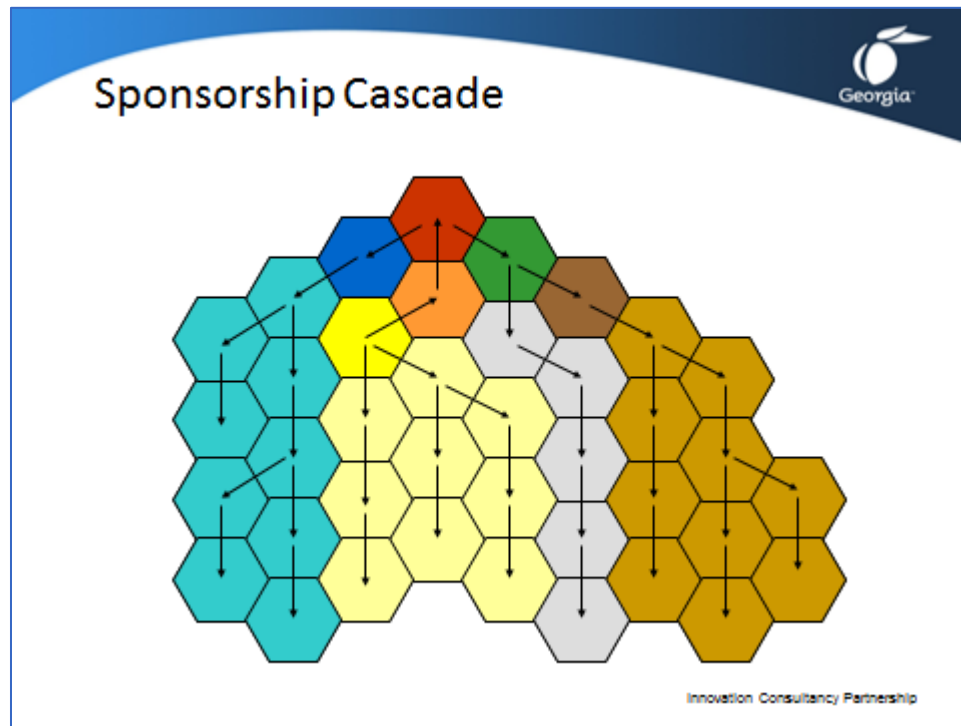


Another similarity between Project Management and OCM is their shared challenges. Neither the organizational change nor the project initiative will be successful without:

- Effective Communication
- Stakeholder Buy-in
- Leadership Support

OCM takes a somewhat more proactive approach in that it identifies the OCM role of managing the sponsor and managers. Managers especially have not typically been trained on how to coach their staff through change. Prosci® focuses heavily on the importance of defining a Sponsor Roadmap based on an assessment of the organization and the change impact.

Topic 5: Shared Goals and Challenges



This animated slide shows the organic growth of change initiatives.

- 2) It begins in once small pocket of the organization that has recognized a current pain point and desires a strategy for relief. Leadership in that group ensures the buy-in and consensus that a change should be implemented. (Bright yellow hexagon in the upper left section of the grouping.)
- 3) The idea is then funneled to executive leadership potentially for approval to receive funding and other necessary resources.
- 4) From there, the change is communicated to the remainder of the executive staff, who then champion within their direct reports and other staff.

If any of the links in this process are missed, or reject the idea, you can immediately see how the level of ultimate adoption will be stifled. What this does not reflect are the interdependencies between organizations (each appears visually as a silo). Organizations cannot survive without sharing information or processes internally. Understanding that aspect further reinforces the impact if one or more leaders do not embrace the change. Consider this as you plan your change efforts.

Exercise 3.1:

Lesson 3 Summary: Learning Objectives Recap

- Understand how OCM process relates to Project Management
 - PM focuses on implementing the change; OCM focuses on ensuring that individuals are successful in adopting the change and absorbing it into their environment
 - There is a close relation to four of the PMBOK® knowledge areas:
 - Integration Management
 - Scope Management
 - Human Resource Management
 - Communications Management
- Identify the skill sets needed for OCM team members
 - The key skills needed for OCM resources are:
 - Communication skills
 - Change Management competency
 - Flexibility
 - Interpersonal Skills
- Understand how to integrate OCM and PM processes
 - The EPLC, Project Management Process areas and OCM Processes are related and interdependent
 - Both EPLC and OCM extend beyond the completion of the project
 - Key tools for OCM:
 - Organizational Assessments
 - Stakeholder mapping
 - Communication and coaching plans
 - Training programs
 - Sponsorship roadmap
 - Reinforcement activities
 - Both OCM and PM share the challenges of having effective communication and strong leadership support

[illegible]

LESSON 4: DEFINING THE SCOPE OF OCM

Topic 1: Assessing the Scope of Change

Topic 2: Change Impact and Risk Management

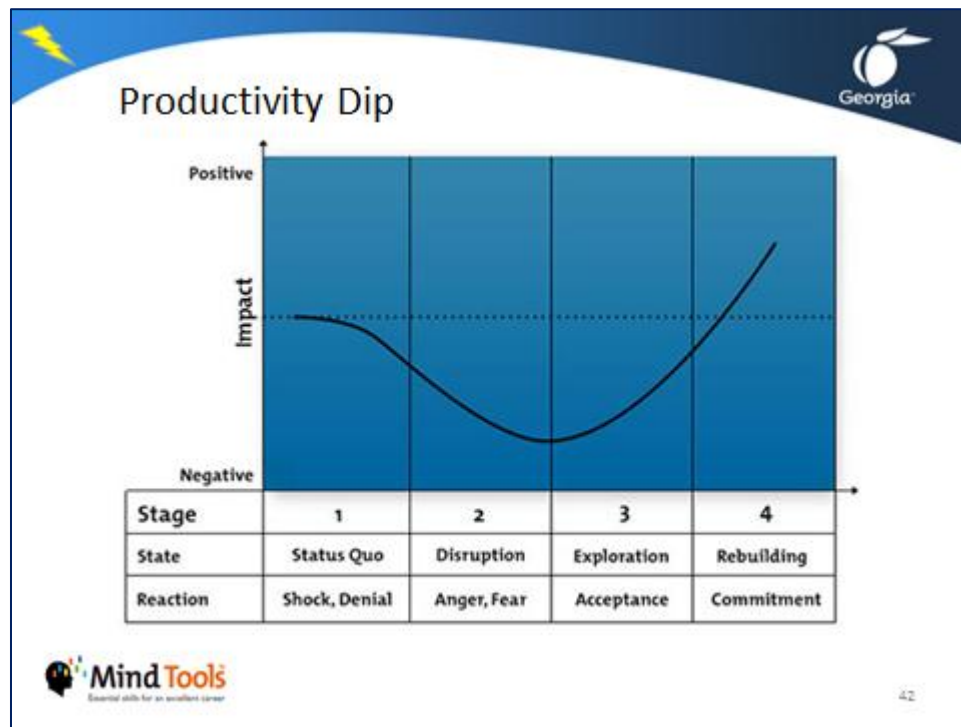
Topic 3: OCM in Your Organization

Student Learning Objectives

After completing this lesson you should be able to

- Understand the impact of change
- Assess potential impacts and risks for change initiatives
- Identify the level of change management needed
- Recognize Organizational Change Structures

Topic 1: Assessing the Scope of Change



The Change Curve

The Change Curve model describes the four stages most people go through as they adjust to change. You can see this in figure 1, below. When a change is first introduced, people's initial reaction may be shock or denial, as they react to the challenge to the status quo. This is stage 1 of the Change Curve. Once the reality of the change starts to hit, people tend to react negatively and move to stage 2 of the Change Curve: They may fear the impact; feel angry; and actively resist or protest against the changes. Some will wrongly fear the negative consequences of change. Others will correctly identify real threats to their position. As a result, the organization experiences disruption which, if not carefully managed, can quickly spiral into chaos. - See more at:


http://www.mindtools.com/pages/article/newPPM_96.htm#sthash.O003H9ZM.dpuf

For as long as people resist the change and remain at stage 2 of the Change Curve, the change will be unsuccessful, at least for the people who react in this way. This is a stressful and unpleasant stage. For everyone, it is much healthier to move to stage 3 of the Change Curve, where pessimism and resistance give way to some optimism and acceptance. Tip: It's easy just to think that people resist change out of sheer awkwardness and lack of vision. However you need to recognize that for some, change may affect them negatively in a very real way that you may not have foreseen. For example, people who've developed expertise in (or have earned a position of respect from) the old way of doing things can see their positions severely undermined by change. At stage 3 of the Change

Curve, people stop focusing on what they have lost. They start to let go, and accept the changes. They begin testing and exploring what the changes mean, and so learn the reality of what's good and not so good, and how they must adapt. By stage 4, they not only accept the changes but also start to embrace them: They rebuild their ways of working. Only when people get to this stage can the organization can really start to reap the benefits of change. - See more at:


http://www.mindtools.com/pages/article/newPPM_96.htm#sthash.O003H9ZM.dpuf

Topic 1: Assessing the Scope of Change



#1 Assess the Change

- What is the scope (workgroup, department, department, statewide, citizens)
- Number of employees impacted
- Complexity of change (process, technology, organization, job roles, mission or business model)
- Delta from old to new
- Alignment to Strategic Plan or Mission



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These factors determine the outcome of any transformation initiative.


D. The **duration** of time until the change program is completed if it has a short life span; if not short, the amount of time between reviews of milestones.

I. The project team's performance **integrity**; that is, its ability to complete the initiative on time. That depends on members' skills and traits relative to the project's requirements.

C. The **commitment** to change that top management (C1) and employees affected by the change (C2) display.

E. The **effort** over and above the usual work that the change initiative demands of employees.

Topic 1: Assessing the Scope of Change



#2 Assess the Environment

Organizationally:

- Strength of leadership
- Past organizational experience w/change
- Volume of change currently underway
- Cultural dynamics

Individually:

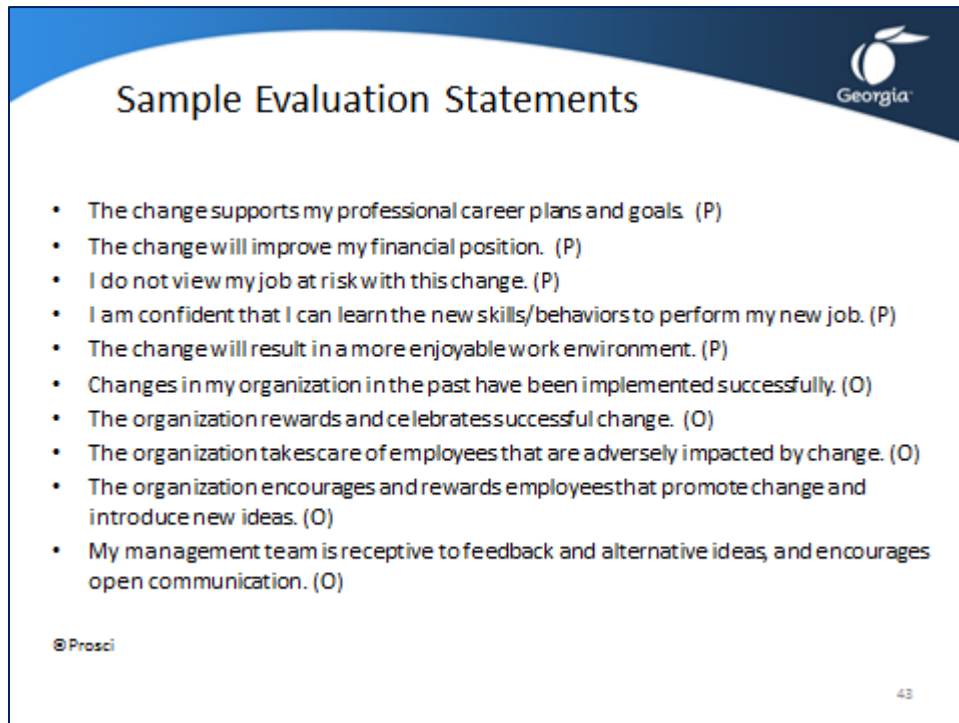
- Employee perception of leadership
- Employee awareness of the need for change
- Employee satisfaction level with current processes and tools

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A combination of the organization's culture and history with previous changes has a direct linkage to the risk of successful change. If the employees do not trust that their leadership will handle the change well (i.e. equitably treat staff that will be impacted by the change), it will be difficult to obtain their buy-in.

After completing the assessments of the impact and the environment, it may be advisable to delay or cancel implementation of the change. Similar to a project risk assessment, these factors should be taken into consideration when planning the project schedule, resources and activities.

Topic 1: Assessing the Impact of Change



Sample Evaluation Statements

- The change supports my professional career plans and goals. (P)
- The change will improve my financial position. (P)
- I do not view my job at risk with this change. (P)
- I am confident that I can learn the new skills/behaviors to perform my new job. (P)
- The change will result in a more enjoyable work environment. (P)
- Changes in my organization in the past have been implemented successfully. (O)
- The organization rewards and celebrates successful change. (O)
- The organization takes care of employees that are adversely impacted by change. (O)
- The organization encourages and rewards employees that promote change and introduce new ideas. (O)
- My management team is receptive to feedback and alternative ideas, and encourages open communication. (O)

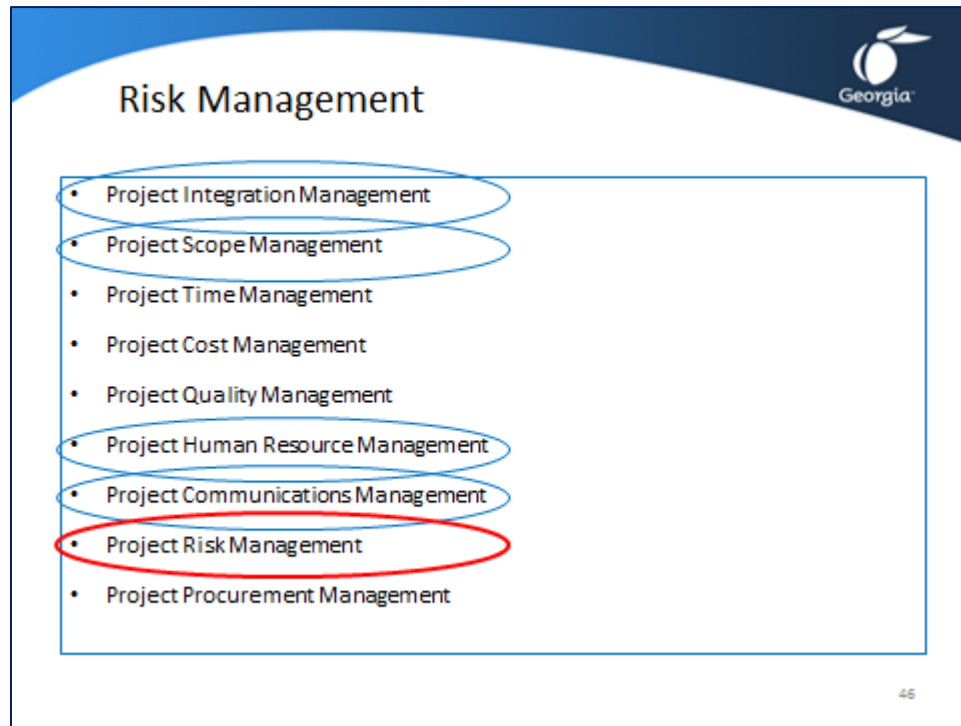
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To assess the true impact of change, it is critical to understand how it is perceived at the individual level. Change agents may intuitively understand the organization's history and track record around managing change initiatives. Until they reach a more thorough understanding of how employees view it however, it will be difficult to manage the change effectively and ensure successful adoption.

One way to gather open feedback might be through an anonymous survey where all employees (executive management, supervisors and staff) rate their perception of the sample statements provided. Evaluating the scores will provide quantifiable insight into the challenges ahead and possible response strategies.


Topic 2: Change Impact and Risk Management



In addition to the knowledge areas discussed earlier (Lesson 3), the area of Risk Management should be considered:

- Potential risk of the change not being accepted or adopted by staff/customers/stakeholders is often identified in project risk logs. Without conducting the environmental and organizational assessments recommended by OCM however, appropriate, targeted risk mitigation strategies cannot be identified.
- If OCM methodology is not utilized for projects that have a potential for large impact, this should be identified as a risk to achieving full benefits from the investment.

Topic 2: Change Impact and Risk Management



Risk Management for OCM

Event	Persons Impacted	Nature of Impact	Degree of Impact	Plans in Place or Needed to Address		
				Organization	Training	Communication

Instructions

- Complete the template on the basis of what known activities (change and service delivery) are going to impact them over an agreed time period
- Degree of impact column: Rate each event as 1 (low impact); 2 (medium impact) or 3 (high impact).
 - Low = need an awareness of it
 - Medium = requires some change to how you do your job
 - High = requires a significant change to the way you do your job along with a cultural change
- Identify the plans in place or required to meet the needs of each activity (e.g. new IT systems will require some training and communications and may also involve the creation of new positions or the removal of old ones).

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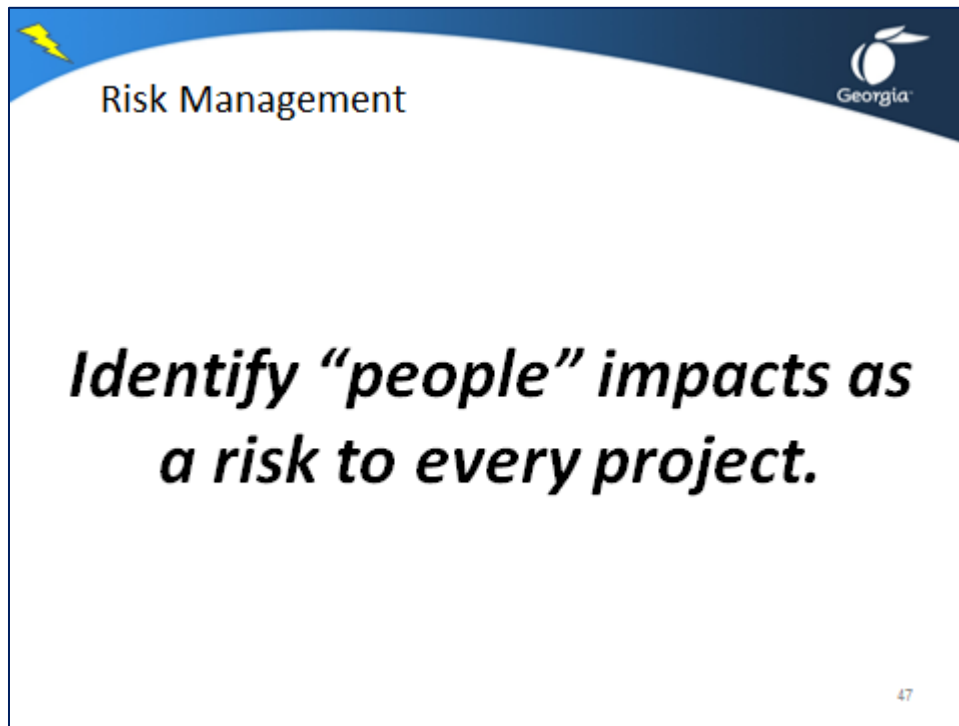
Similar to the risk log maintained for the Project Management Plan, OCM risks should be captured and managed in a document available to all team members and for Sponsor level reporting. This sample log shows the type of information needed. If the project and change are being managed together, risks can also be managed together. Just be certain that all risks are given equal consideration and appropriate data is maintained.

Following is a sample OCM risk evaluation structure that was used by the **Northumberland County Council in the UK** to evaluate risks for the coal mining industry. (For a copy of their *Toolkit for Organisational Change*, view <http://ijsc.cetis.ac.uk/> and search for “toolkit”).

Qualitative measures of Consequence or Impact			Qualitative measures of Likelihood		
Level	Descriptor	Example detail description	Level	Descriptor	Example detail description
5	Catastrophic	Death, toxic release off-site w/detrimental effect, huge financial loss	5	Almost certain	Is expected to occur in most circumstances
4	Major	Extensive injuries, loss of production capability, off-site release w/no detrimental	4	Likely	Will probably occur in most circumstances

		effects, major financial loss			
3	Moderate	Medical treatment required, on-site release immediately contained w/outside assistance, high financial loss	3	Possible	Might occur at some time
2	Minor	First aid treatment, on-site release immediately contained, medium financial loss	2	Unlikely	Could occur at some time
1	Insignificant	No injuries, low financial loss	1	Rare	May occur only in exceptional circumstances

Topic 3: OCM in your organization

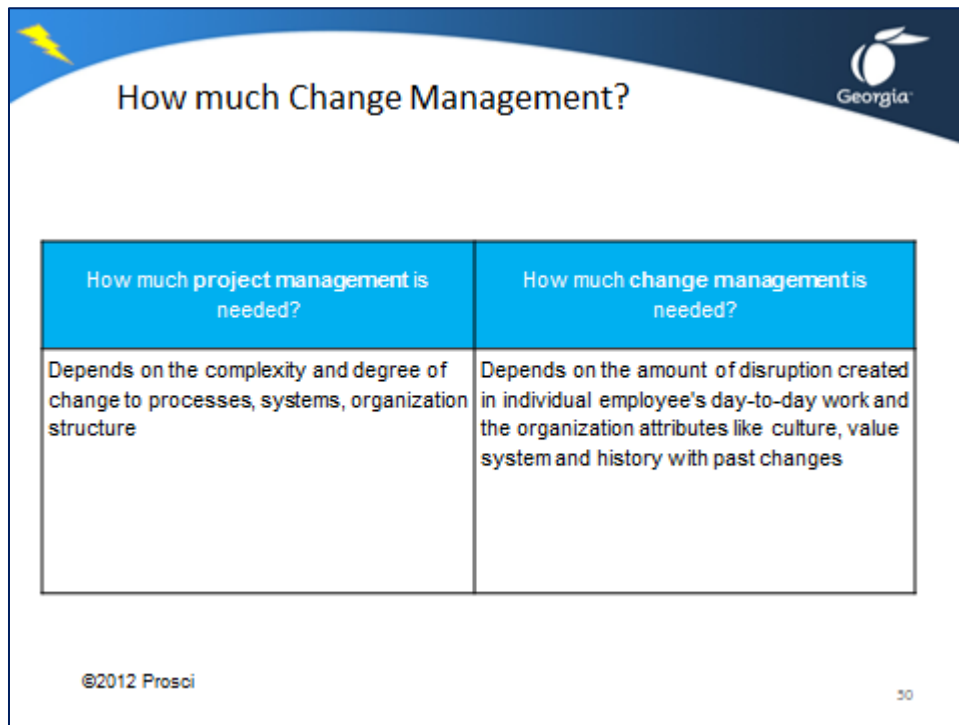


It is not unusual to see “lack of user buy-in” as a standard risk on technology projects. Without implementing OCM best practice to assess the level of anticipated resistance however, mitigation strategies identified will be guesses, at best.

The most prevalent approaches to offset resistance are generally training and/or communication. In both instances it is important to understand more about the true impacts of the change to better target appropriate audiences with an appropriate message.

Make certain that the impacts have been analyzed and captured as a risk, even if structured OCM is not implemented in your business. The lack of focus on OCM should also be identified as a critical risk, when not addressed as part of the approach to change.

Topic 3: OCM in your organization



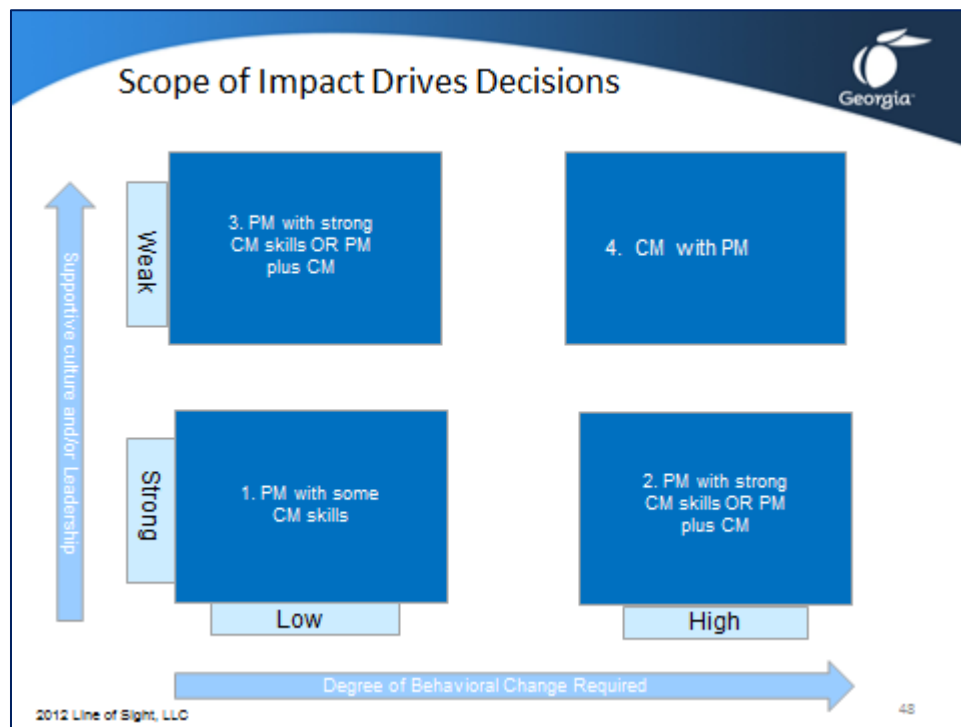
The slide features a blue header with a yellow lightning bolt icon on the left and the Georgia Institute of Technology logo on the right. The title 'How much Change Management?' is centered in the header. Below the title is a table with two columns. The first column is titled 'How much project management is needed?' and the second is 'How much change management is needed?'. The first column's content is 'Depends on the complexity and degree of change to processes, systems, organization structure'. The second column's content is 'Depends on the amount of disruption created in individual employee's day-to-day work and the organization attributes like culture, value system and history with past changes'. At the bottom left is the copyright notice '@2012 Prosci' and at the bottom right is the page number '30'.

How much project management is needed?	How much change management is needed?
Depends on the complexity and degree of change to processes, systems, organization structure	Depends on the amount of disruption created in individual employee's day-to-day work and the organization attributes like culture, value system and history with past changes

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Scale the level of OCM methodology to the complexity and impacts of the change. Some projects may not create a broad impact to the organization. By conducting some level of initial impact assessment, you can begin to tailor the amount of OCM structure needed. At least some consideration should be given to the “people side” of change during the development of the Business Case or early project planning.

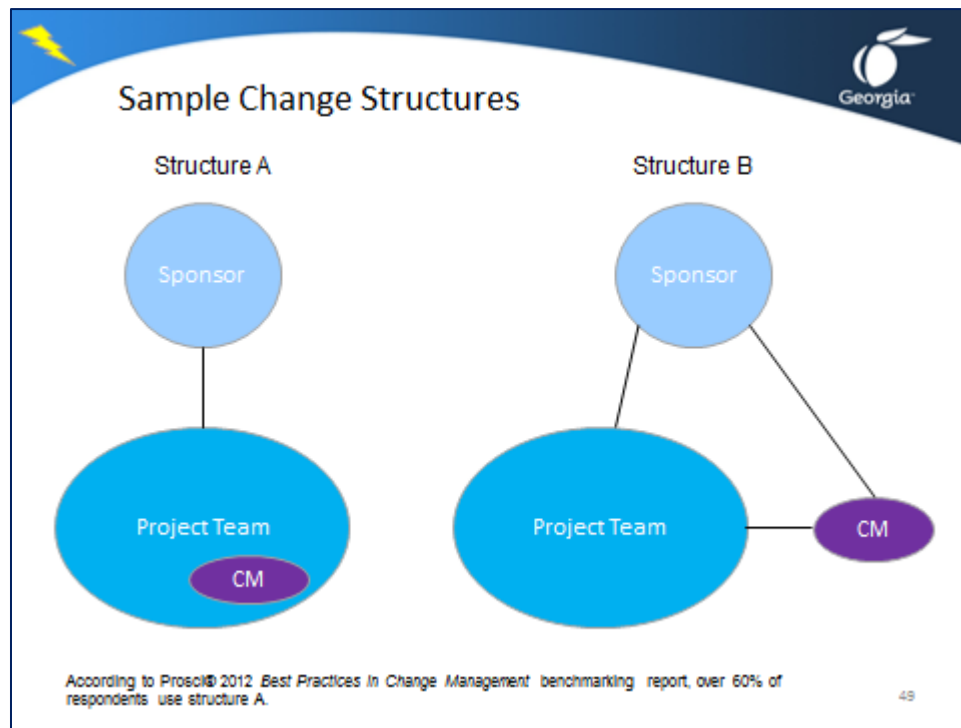
Topic 3: OCM in your organization



Once you have defined the scope of the impact (Degree of Behavioral Change Required) and the organization's capacity for change (Supportive culture and/or Leadership), use that information to plot your course for OCM. The table provides an example of the combination of skills that might be recommended based on your initial analysis.

In many organizations not yet familiar with OCM methodology, it will fall to the Project Manager and team to address change management issues. Armed with some of the analysis recommended by OCM experts, change agents can begin to lobby for more appropriately skilled resources to meet the challenges of change implementation.

Topic 2: OCM in your organization



OCM analysis can also drive decisions regarding the way the change implementation team is structured.

For projects that are low impact, low complexity and shorter in duration, the structure of having the change management team as a subset of the project management team may be the best solution for your organization. If however, there are broad impacts (both internal to the organization and externally to customers and other constituents) and the change is highly complex, you may need to consider having a separate, dedicated change management staff with no other project-related responsibilities.

There is no right or wrong answer. Use planning analysis results to support the most viable recommendations for your environment.

Exercise 4.1:

Case Study – Speedy Office Supplies Web Expansion Project

Company Overview

Speedy Office Supplies has been in business for 15 years and is recognized as the leader in discount office supplies. We have a reputation of providing high quality products at reasonable prices and offering superior customer service. We are selling to corporate clients, governmental agencies, and individuals. Our customers are served by over 40,000 employees through direct sales, catalogs, e-commerce and more than 2,000 stores. Eighty percent of our business is currently done in our 2,000 retail stores.

Over the past five years the Retail Store Division has shown a steady decline in sales and profitability; energy costs have increased by 30% for our fleet vehicles and retail stores; employee health care costs have increased by 75% and continue to rise. Market trends and customer preferences are indicating that customers desire the ability to order their products on-line at times convenient to them. The SOS management team believes if we phase-out the Retail Store Division and replace it with a web-based ordering system and consolidation of our distribution network, we anticipate a savings of nearly 10 million dollars per year. This would also need to integrate into the existing supply chain systems. Customer satisfaction surveys also indicate a favorable reaction to the concept of web-based sales, which could increase our current sales by at least 25% over the next 5 years. Based on this information SOS management has made a decision to close all the brick and mortar stores within 18 months. We believe this decision will significantly cut costs and that we can be just as successful selling our products on our website.

Currently orders for products are received via in-store requests, phone calls, or catalog mail-in from customers. We access our online system to check inventory, prices, and estimated shipping dates. If the order total is over \$100,000 we turn it over to a supervisor. We then call the Credit Card Authorization Company to check the customer's credit card account. If the

credit card charge is authorized we enter the order into the system. The current system is an old mainframe application and is very cumbersome.

There are purchasing agreements, special discounts, and payment terms for our clients purchasing over \$50,000 per year. In the past, we have billed these customers on a monthly basis, providing them with a detailed listing by location of their purchases. We want to make it easier for them to pay via credit card each time they place an order to increase our cash flow and lower our Accounts Receivable. If possible, we still want to provide select customers the same reporting on a monthly basis for their purchases by location.

Federal Express and UPS are currently bidding on the exclusive rights for delivery of all customer office supplies. Each company is proposing an online interface to track shipments, including the name of the person who signs for the delivery. The shipment will need to have a label and detailed purchase order slip with the package. The cost of shipping is determined by the size of the package, weight, location, insurance, and timeliness of delivery. The customer will need an accurate shipping cost at the time of purchase.

Project Request

Our main focus for this project is to create the shopping experience for our retail customer on the website and to place product orders on the Internet. We want to have real time information regarding product description; quantities; pricing; availability; payment processing; shipping method options with associated costs; delivery date; and order tracking. All information currently available at the retail stores and in the catalogs should be available and consistent with the Internet.

It would be nice if there were a place on the Internet for the customer to build a profile and store frequently purchased items in a list to use for future purchases. This would be very beneficial for large organizations that purchase the same products frequently.

We envision using our existing customer number and allowing each customer to create a password to ensure security. Anyone could look at the products online, but only registered customers would be allowed to place orders. The web site should have search ability by several options: product item number (from the catalog), product type, color, and size.

Hopefully when a customer places an order the software would quickly calculate a shipping charge and present the order total to the customer. We would not allow orders totaling more than \$1000 to be placed on the web. The software should also email a confirmation to the customer if requested.

Departments Involved

The **Marketing Department** is responsible for customer reporting and the negotiations for preferred customer status including volume discounts. Our largest customers receive one monthly bill for all their departments' purchases and a report showing the detailed purchases. Additionally, marketing maintains the customer profiles, which are used to process orders, verify billing information, discounts, and reduce redundancy by eliminating the need for the customer to always enter their company information.

The **Customer Service Department** will need access to all information regarding customer orders to assist with the web site usage and handle any possible complaints.

Accounts Receivable is responsible for processing and sending bills to our preferred customers. The web ordering system will need to notify accounts receivable when one of our preferred customers request their order to be direct billed. Some customers have negotiated payment terms and discount rates based on volumes. They work with the Collections Department for any outstanding receivables beyond 90 days. On a monthly basis Accounts Receivable produces an aging report.

Inventory Management is impacted by a reduction in inventory from placed orders and an increase in inventory from cancellations and returns. They are responsible for managing the inventory and placing orders with vendors. Inventory Management is also responsible for handling returns, including items that have to be returned to the suppliers as defective.

Order Fulfillment receives an order notification from the order processing system containing all necessary information required to assemble the order. They are responsible for producing the packaging slips, retrieving the supplies, assembling the order into a bin or crate, and delivering the order to the Shipping Department.

The **Shipping Department** receives the order from the Order Fulfillment department and prepares the order for shipment. The packing slip contains the shipping method requested by the customer and the estimated shipping timeframe. The Shipping Department is responsible for notifying the shipping company and updating the order status.

Outside Organizations

The **Shipping Company** currently has an online tracking system. Our web ordering system will have a direct link to the shipping company's web site for the customer to track packages using the tracking number provided by the Shipping Department to the order status system.

The **Credit Card Processor** currently authorizes customer purchases made in the stores, over the phone, or via fax. An additional interface will need to be established between the web application to receive the customer and order information and to return an authorization code.

Lesson 4 Summary: Learning Objectives Recap

Understand the impact of change

When change is introduced into an organization, there is a related Productivity Dip that occurs. The purpose of OCM is to reduce the size and duration of the expected dip by understanding the potential impact(s) and proactively managing the change.

In order to understand the scope of the impact, one must assess both the change itself and the environment (both at the organization level and the individual level).

Assess potential impacts and risks for change initiatives

Just as in Project Management, a structured approach to managing the risks of change impacts is required. Identify potential impacts; assess the risk based on the degree of impact and probability; then put in place mitigation approaches (process, training, communication, etc.)

At a minimum, after this course you should begin to always identify impacts on the “people side of change” in every project your organization undertakes.

Identify the level of change management needed

Understanding the scope of the change and its potential impacts – along with an assessment of the organization’s ability to manage change – will drive decisions about the level and structure of Organizational Change Management required.

Recognize Organizational Change Structures

OCM SMEs and change leaders can be incorporated into the Project Management team or stand alone and report independently to the Sponsor. There is no “right or wrong” approach. The decision will be driven by an assessment of the change, organizational acceptance of OCM practices, resource availability and hierarchical structures.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

LESSON 5: MANAGING THE CHANGE

Topic 1: Building a Vision

Topic 2: Understanding Resistance

Topic 3: Resistance Mitigation


Topic 4: Communication Strategies and Vehicles

Student Learning Objectives

After completing this lesson you should be able to

- How to create a vision for change
- Understand the nature and types of resistance
- Build effective strategies for identifying and addressing resistance
- Develop communication strategies to support OCM

Topic 1: Building a Vision



Building a Vision

A vision should:

- define the change in terms of the organization's values (guiding beliefs about how things should be done)
- communicate both the purpose and values of the change
- (for employees) give direction about how they are expected to behave and inspire them to give their best
- (for customers) shape their understanding of why they should work with the organization

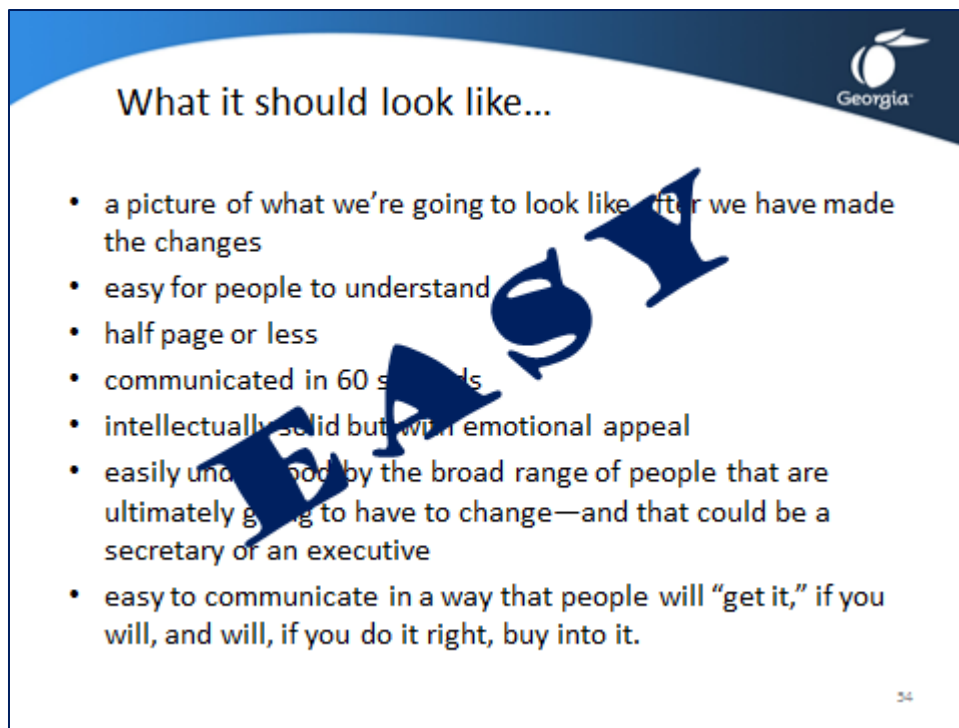
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Every successful large-scale change that I have seen has, as a part of it, a change vision. (John P. Kotter)

A change vision is important to communicate the “what and why” of the change in order to increase buy-in both internally and externally to the organization. It should:

- Align the change to the organization’s mission and vision
- Show how the change is in step with the organization’s value statement
- Reinforce with employees why they need to “get on board”
- Explain to customers or constituents what they can expect to see – “Please be patient while we are working to improve our website to serve you better.”

Topic 1: Building a Vision



What it should look like...

- a picture of what we're going to look like after we have made the changes
- easy for people to understand
- half page or less
- communicated in 60 seconds
- intellectually solid but with emotional appeal
- easily understood by the broad range of people that are ultimately going to have to change—and that could be a secretary or an executive
- easy to communicate in a way that people will “get it,” if you will, and will, if you do it right, buy into it.


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The vision should be “EASY” to understand, communicate, feel and visualize.

- What will the future look like?
- Is it easy for anyone to understand and grasp?
- Is it short, sweet and to the point?
- Can it be spoken in less than 1 minute?
- Is it business focused, yet inspirational?
- Will people get it?

Exercise 5.1

Topic 2: Identifying Resistance



Resistance to Change

Resistance to Change has been defined as:

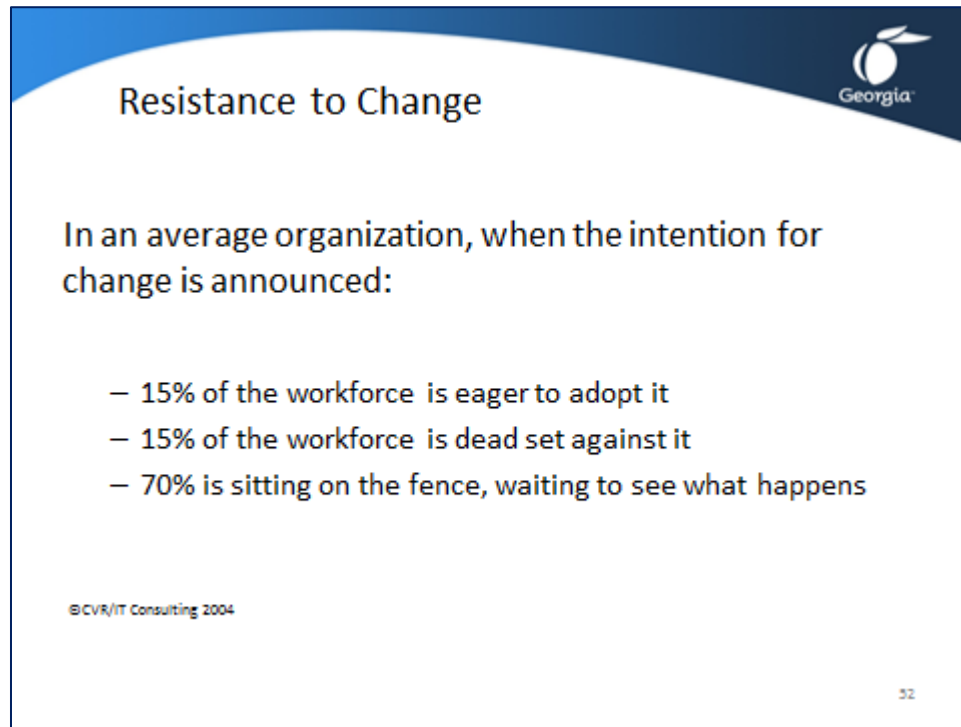
- “...behavior which is intended to protect an individual from the effects of real or imagined change” Alvin Sander, 1950
- “...any conduct that serves to maintain the status quo in the face of pressure to alter the status quo” Zaltman and Duncan, 1974

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Everyone has experienced resistance to change, whether overt or covert. It is a defense mechanism in people that is natural and should be expected.

Don't ignore the fact that resistance can be a positive thing. Prosci® identifies “good” resistance as “informed disagreement with the change”. In this scenario, it is not resistance due to fear of the unknown or unwillingness to change, but based on knowledge or expertise that leads them to believe it will not work. Don't ignore this type of feedback. It could provide valuable insight the project needs to succeed.

Topic 2: Identifying Resistance



Resistance to Change

In an average organization, when the intention for change is announced:

- 15% of the workforce is eager to adopt it
- 15% of the workforce is dead set against it
- 70% is sitting on the fence, waiting to see what happens

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It is not uncommon for an organization to choose to conduct a project that will have impact on the organization itself. Some examples:

- New Time and Attendance System
- New e-mail system
- Transition from paper to electronic Requisitions
- Change from primarily print to primarily electronic media
- Introduction of a new technology
- Distribution of workers in new office space
- Merging of organizations

Management initiates these changes because they have determined that the investment will bring benefits to the organization that will make it worthwhile. They usually move forward on the basis that since it is in everyone's best interest, everyone will endorse the project and work to make it successful. All too often they receive a rude shock!

There are many reasons for resistance to change. People are inherently control oriented, and any change to their environment can leave them feeling "out of control" or chaotic. Resistance generally begins as soon as the change is announced, but it can be displayed openly or hidden.

One of the common pitfalls with regard to resistance is that sponsors who are driving change tend to think of resistance as a mystery. They view resistance as a mysterious force that affects people.

They think that resistance is avoidable, and if it occurs, it must be someone's fault. Typical responses are:

“What's wrong with the person/group?”

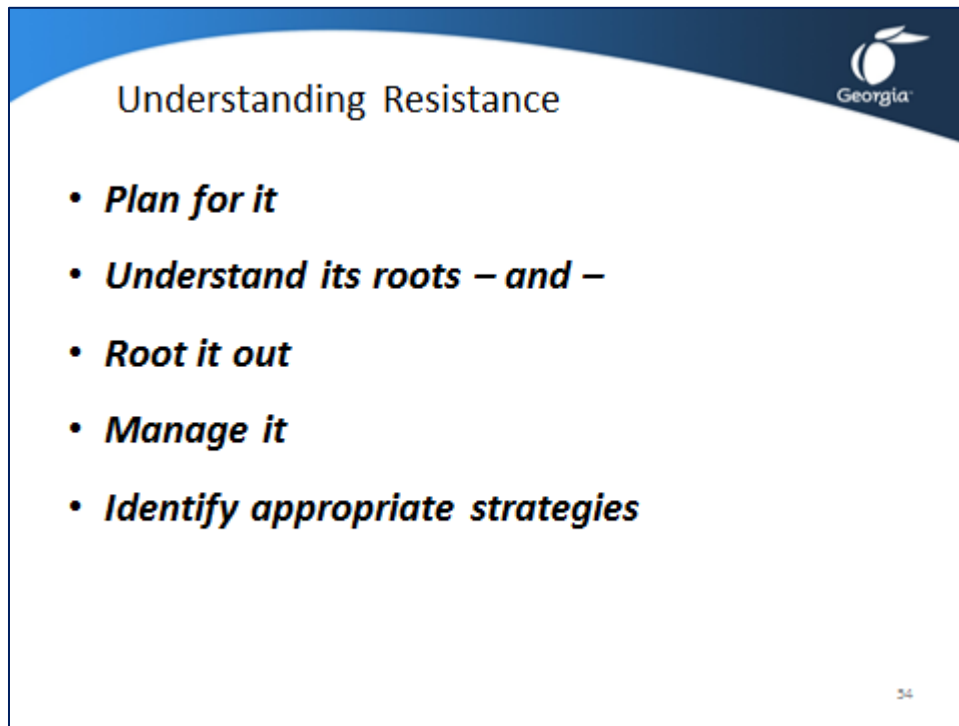
“Why won't they support our change effort? “

“There must be something wrong with those people.”

Some reasons why people may resist organizational change are:

- belief that the change initiative is a temporary fad
- belief that fellow employees or managers are incompetent
- loss of authority or control
- loss of status or social standing
- lack of faith in their ability to learn new skills
- feeling of change overload (too much too soon)
- lack of trust in or dislike of managers
- loss of job security
- loss of family or personal time
- feeling that the organization is not entitled to the extra effort

Topic 2: Identifying Resistance



Understanding Resistance

- ***Plan for it***
- ***Understand its roots – and –***
- ***Root it out***
- ***Manage it***
- ***Identify appropriate strategies***

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- It is a natural and inevitable reaction. You can expect it. You should plan for it.
- It is sometimes hidden, so it may be necessary to take active steps to find it.
- There are many reasons for it; it is important to understand its roots.
- Resistance is managed by working with people and helping deal with their concerns.
- There are many ways to build acceptance. It is important to be flexible. But persist!
- Engage the appropriate change agents for the resister(s).

Some of the more recognizable types of resisters:

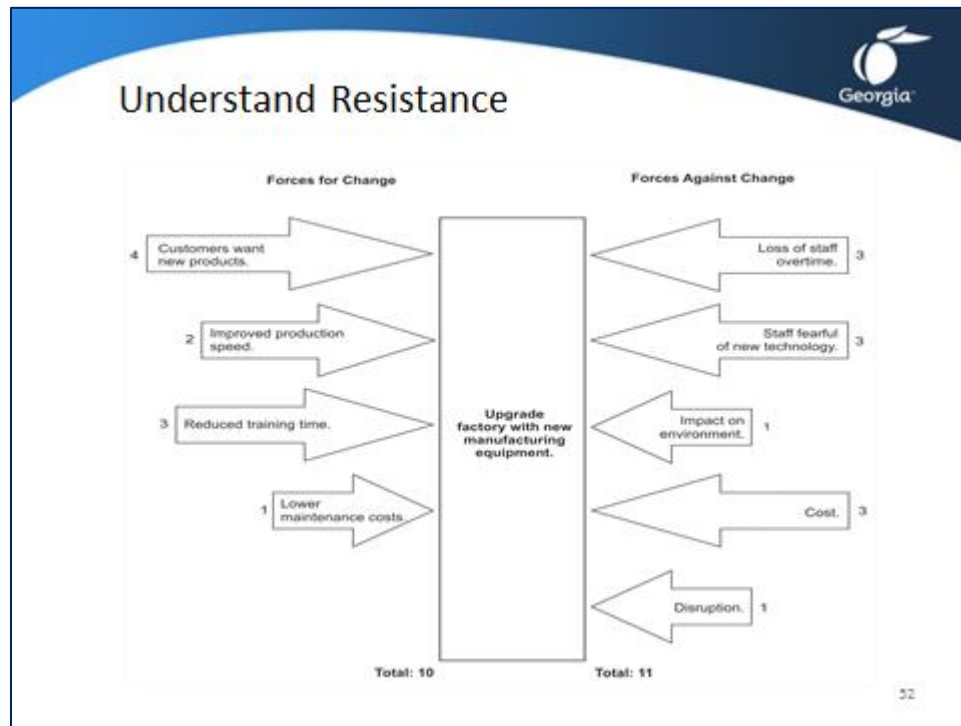
Objectors

Objectors will display their resistance to change whenever the opportunity arises. They may disrupt meetings, not attend training, take unapproved leave and refuse to carry out instructions. Objectors will continue to use old systems and processes when others are taking up the new ways of doing things. They are not averse to arguing with managers and fellow workers and will try to convince others to continue with the old ways. In a unionized environment, resistance can take the form of strikes, lockouts, "work to rule", legal challenges and boycotts.

Underground

Change recipients working for the underground have solid motivations for not making their resistance public. They may fear direct punishment, such as termination or fines, or more personal costs, such as ridicule or loss of status and authority. Managers who are against the change but need to be seen to be in support of it are prime candidates for promoting underground resistance. This style of resistance is, by its nature, always covert and can take many forms. Common among these are falsifying reports, inputting incorrect data, stealing, damaging infrastructure and equipment, using sarcasm, spreading rumors, excessive absences, shoddy work and "go slow".

Topic 3: Resistance Mitigation



Force Field Analysis is a useful decision-making technique. It helps you to analyze the forces for and against a change, and communicate the reasoning behind your decision. You can use it for two purposes:

- To decide whether to go ahead with the change; and
- To increase your chances of success, by strengthening the forces supporting change and weakening those against it.

Force Field Analysis was created by Kurt Lewin in the 1940s. Lewin originally used the tool in his work as a social psychologist. Today, however, Force Field Analysis is also used in business, for making and communicating go/no-go decisions. You use the tool by listing all of the factors (forces) for and against your decision or change. You then score each factor based on its influence, and add up the scores for and against change to find out which of these wins.

To carry out a Force Field Analysis, use a blank sheet of paper or whiteboard. Then describe your plan or proposal for change in a box in the middle of the paper. List the forces for change in a column on the left-hand side, and the forces against change in a column on the right-hand side. As you do this, consider the following questions:

- What business benefit will the change deliver?
- Who supports the change? Who is against it? Why?

- How easy will it be to make the change?
- Do you have enough time and resources to make it work?
- What costs are involved?
- What other business processes will be affected by the change?
- What are the risks?

Next, assign a score to each force, from, say, 1 (weak) to 5 (strong), and then add up the scores for each column (for and against).

Once you've done your Force Field Analysis, you can use it in two ways:


- To decide whether or not to move forward with the decision or change.
- To think about how you can strengthen the forces that supports the change and weakens the forces opposing it, so that the change is more successful.

If you had to implement the project in the example above, the analysis might suggest a number of changes that you could make to the initial plan. For instance, you could:

- Train staff ("Cost" +1) to minimize the fear of technology ("Staff uncomfortable with new technology" -2).
- Show staff that change is necessary for business survival (new force that supports the change, +2).
- Show staff that new machines would introduce variety and interest to their jobs (new force that supports the change, +1).
- Install slightly different machines with filters that eliminate pollution ("Impact on environment" -1).

These changes would swing the balance from 11:10 (against the plan), to 13:8 (in favor of the plan).

Topic 3: Resistance Mitigation



Tips for Overcoming Resistance to Change

Prioritize

- Choose the most powerful of the restraining forces and devote time and energy to weakening these.

Leverage

- Apply the drivers for change you identified in your analysis to either weakening or eliminating an opposing force.


Use *WIIFM*

- Show the fiercest resisters what's in it for them. Appeal to them either in terms of personal gain or loss avoided .

Engage

- Put resisters on teams that allow them to play some decision-making part in the change process

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Tips for Overcoming Resistance to Change

Use Transparency

- Defuse political power plays amongst managers and other employees by conducting broad-based meetings where goals and tactics are openly discussed and introduce processes that leave little room for individual discretion.

Empathize

- Endeavor to look at the world through the eyes of the change resister. Listen openly and honestly to what they are trying to say. Examine your own basic beliefs and assumptions.

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Topic 4: Communication Strategies



Communication Strategies

Key Success Factors

- **Provide focused, strategic context**
- **Use few messages, many messengers**
- **Target audiences**
- **Integrate cross-functionally**
- **Feature multiple vehicles**
- **Build in feedback mechanisms**
- **Repeat, repeat, repeat**

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Provide focused, strategic context:

- Make certain you can define a compelling business need; explain the reasons why the change is necessary and beneficial

Use few messages, many messengers:

- Messages should be consistent – don't vary the content substantially
- People want to hear about the organizational change from the CEO; but they want to hear about how it affects them from their immediate supervisor – target the message to the appropriate messenger

Target audiences:

- Ensure that you have precise audiences (groups impacted by the change) defined and their needs identified and prioritized.
- Approach individuals in the organization (from various groups) to help assess the relevance and appropriateness of the message

Integrate cross-functionally:

- Deliver consistently timed messages across the organization; make certain everyone is hearing the same message from your team, not at the water cooler

Feature multiple vehicles:

- Feature a menu of options that appeal to a variety of groups, preferences and learning styles
- Organizations have populations that cross multi-generations; don't assume everyone will respond to the same type of message equally

Build in feedback mechanisms:

- Create ways to follow-up and validate that the communication was effective
- Telephone or e-mail surveys can provide verification that the messages were received and accurately understood

Repeat, repeat, repeat:

- Through intermittent repetition, people learn and absorb key messages
- The longer the change takes to implement, the more critical it is to keep communication going; don't lose momentum because no one knows what you are doing

Topic 4: Communication Vehicles



The Screen Saver – From Ken Moran

There was no set screen saver before we introduced this. Everyone chose their own – some sort of wallpaper, something they downloaded from the Internet. Your normal morning went something like this: You walk into the office, get your coffee, greet your coworkers, go to your desk, log on to the computer. . . and your day begins.

Now imagine walking in, getting your coffee, greeting friends, logging on, and discovering that something is different. You take a closer look at your computer screen and realize that the picture of a fish that usually greets you every morning has been replaced with a multicolored map of the UK surrounded by a bright blue circle. As the image slowly moves around your screen, you read the words surrounding the circle: "We will be #1 in the UK market by 2001." This was exactly the image we presented to all employees one morning about two years ago.

Because the screen savers appeared on all computers the same morning, we surprised everyone. We had recently announced our new vision, so the concept wasn't new. The point was not to introduce the vision in this way, but to show our commitment to it and to keep it fresh in people's minds. The aspiration to become number one is pretty infinite. We wanted people to know that this was not just another fad, or just a warm and fuzzy hope. This was an absolute, a constant. By

putting the message on people's computers so that they saw the logo every time they logged on, we found a simple way to continually reinforce our message.

Needless to say, the arrival of the screen savers had everyone talking. That day, you'd hear people in the halls saying, "The strangest thing happened when I logged on this morning . . . Oh, you got one of those new screen savers too? Did everyone get one? What's this all about?" Over the next few weeks, the conversation moved toward "Do you think we can become number one by 2001?" At a later department meeting, they might talk about new metrics: having five new products in the UK by 2001, growing at a rate of at least 15 percent a year, and being number one in sales each year. "If we hit those targets," people said, "I think we'll definitely achieve the vision.

Of course there were the skeptics who didn't appreciate the fact that we had removed "their" screen saver. They probably felt like we were forcing this down their throats. On the day the screen savers arrived, their conversations were more like, "How dare they change my computer! What happened to my old screen saver?" These were the people who had a problem accepting the fact that they would have to change, so it wasn't really the screen saver that was the issue. These were the people who wanted to ignore our new vision, to write it off as just another fad and wait for the initiative to go away. The new screen saver and the conversations it sparked, on top of all the other communications circulating around the company, made it very difficult to ignore our vision.

After a while, we updated the computer image to include other metrics. We still had the UK map surrounded in the blue circle, but we changed the message around it. This sparked new conversations about our goals and our vision. I could walk around the office and ask people what last year's results were and what this year's target was and many could respond without even having to think about it. These were people that, a year before, might not have even been able to quote the company's vision, let alone its targets.

We continued to update the screen saver, and it's become a sort of corporate icon around here. It's great because, instead of a newsletter or flyer that's here today and gone tomorrow, it is a constant reminder of our company's goals. It's amazing what can happen if large numbers of us all understand what the goals are.

The Heart of Change: Real-Life Stories of How People Change their Organizations

By John P. Kotter and Dan S. Cohen

Lesson 5 Summary: Learning Objectives Recap

- How to create a vision for change

A change vision is important to communicate the “what and why” of the change in order to increase buy-in both internally and externally to the organization. It should:

- Align the change to the organization’s mission and vision
- Show how the change is in step with the organization’s value statement
- Reinforce with employees why they need to “get on board”
- Explain to customers or constituents what they can expect to see

The vision should be “EASY” to understand, communicate, feel and visualize.

- Understand the nature and types of resistance

- It is a natural and inevitable reaction. You can expect it. You should plan for it.
- It is sometimes hidden, so it may be necessary to take active steps to find it.
- There are many reasons for it; it is important to understand its roots.
- Resistance is managed by working with people and helping deal with their concerns.
- Resistance can be overt or covert.

There are also positive or “good” types of resistance, when driven from an informed position. Assess the source of resistance before determining a response.

- Build effective strategies for identifying and addressing resistance

Force field analysis is a good tool for determining where to allocate your resources for resistance mitigation and elimination. You can use it for two purposes:

- To decide whether or not to go ahead with the change; and
- To increase your chances of success, by strengthening the forces supporting change and weakening those against it.

Key strategies for overcoming resistance:

- Prioritize
- Leverage
- Use WIIFM
- Engage
- Use Transparency
- Empathize

- Develop communication strategies to support OCM
 - Think outside of the box and utilize as many communication strategies as possible
 - Target your audience and make certain you are using the appropriate messenger

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LESSON 6: CREATING AN OCM PLAN

Topic 1: Plan Elements

Topic 2: Relating the OCM Plan to the Project Management Plan

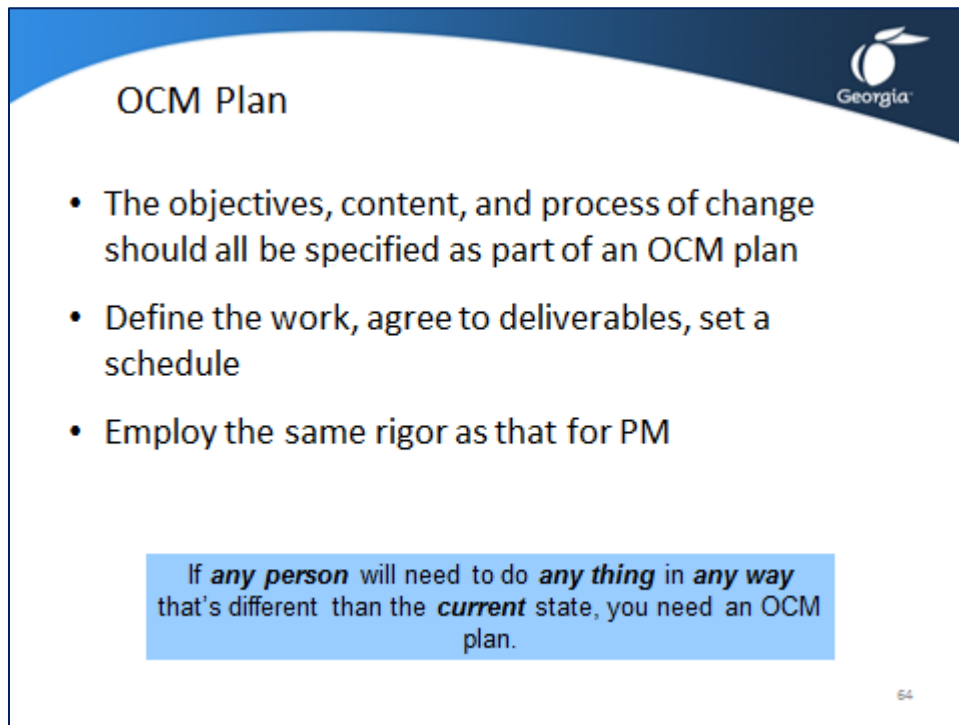
Topic 3: The Training Matrix

Student Learning Objectives

After completing this lesson you should

- Know the key elements to include in an OCM Plan
- Understand how to relate (and integrate) the OCM Plan with the PM Plan
- Be able to create an effective training plan/matrix

Topic 1: Plan Elements



The slide features a dark blue header with a white Georgia logo in the top right corner. The main content area is white with a blue curved border at the top. It contains a title, a bulleted list, and a highlighted text box.

OCM Plan

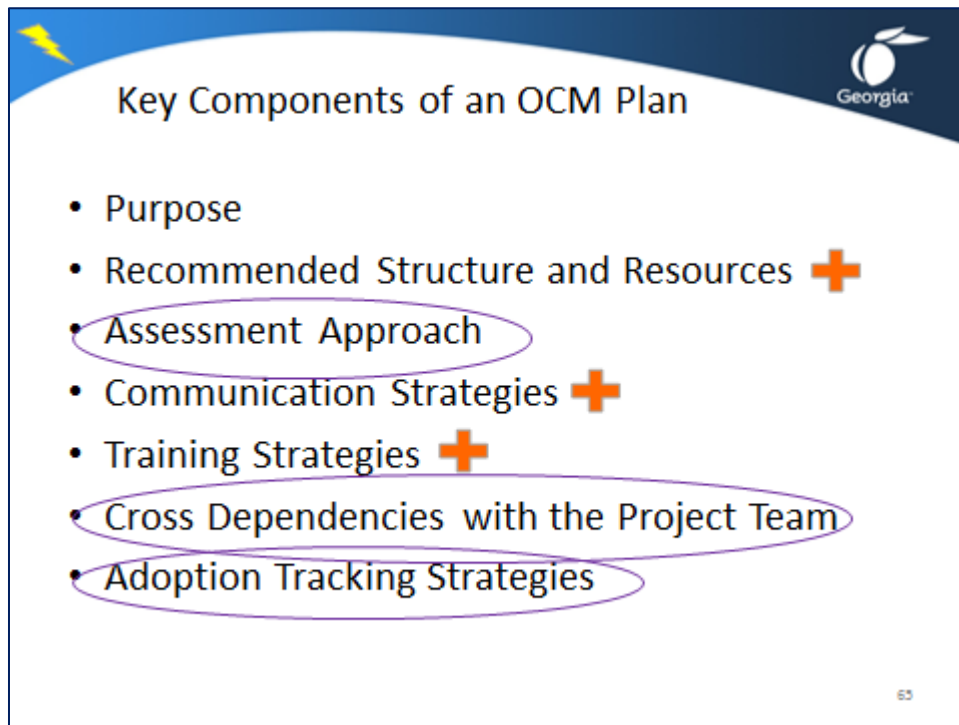
- The objectives, content, and process of change should all be specified as part of an OCM plan
- Define the work, agree to deliverables, set a schedule
- Employ the same rigor as that for PM

If **any person** will need to do **any thing** in **any way** that's different than the **current** state, you need an OCM plan.

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Without the body of knowledge and content associated with PMI, there are not a lot of resources available for a standard OCM plan. Nonetheless, it should still follow the same guidelines and rigor associating with PM planning. Document the approaches to be followed, resources required and how the plan will be integrated with the project plan.

Topic 1: Plan Elements



The slide is titled "Key Components of an OCM Plan" and features the Georgia logo in the top right corner. A yellow lightning bolt icon is in the top left. The list of components includes "Purpose", "Recommended Structure and Resources" (marked with an orange plus sign), "Assessment Approach" (circled in purple), "Communication Strategies" (marked with an orange plus sign), "Training Strategies" (marked with an orange plus sign), "Cross Dependencies with the Project Team" (circled in purple), and "Adoption Tracking Strategies" (circled in purple). The number 65 is in the bottom right corner.

Key Components of an OCM Plan

- Purpose
- Recommended Structure and Resources +
- Assessment Approach
- Communication Strategies +
- Training Strategies +
- Cross Dependencies with the Project Team
- Adoption Tracking Strategies

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Components that are different from a PM plan:

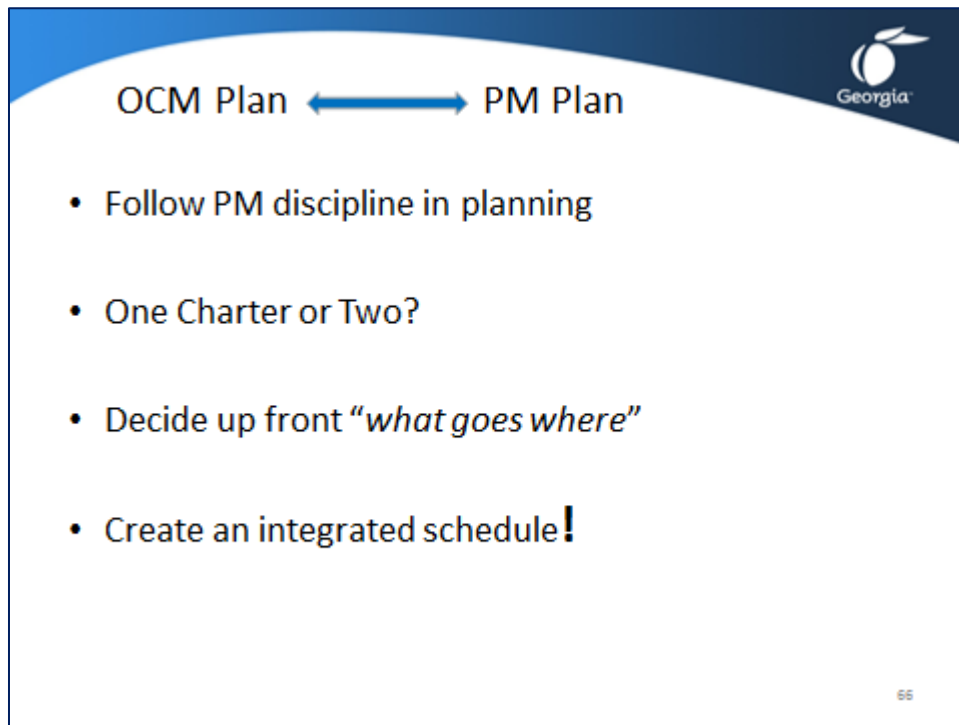
- Assessment approach
- Cross dependencies with the Project Team
- Adoption Tracking Strategies (post implementation)

Components that are traditionally included in a PM plan:

- Structure and Resources
- Communication Strategies
- Training Strategies

You may choose to incorporate into the OCM plan instead, or augment the PM plan with OCM required elements.

Topic 2: Relating the OCM Plan to the Project Management Plan



OCM Plan \longleftrightarrow PM Plan

- Follow PM discipline in planning
- One Charter or Two?
- Decide up front “*what goes where*”
- Create an integrated schedule!

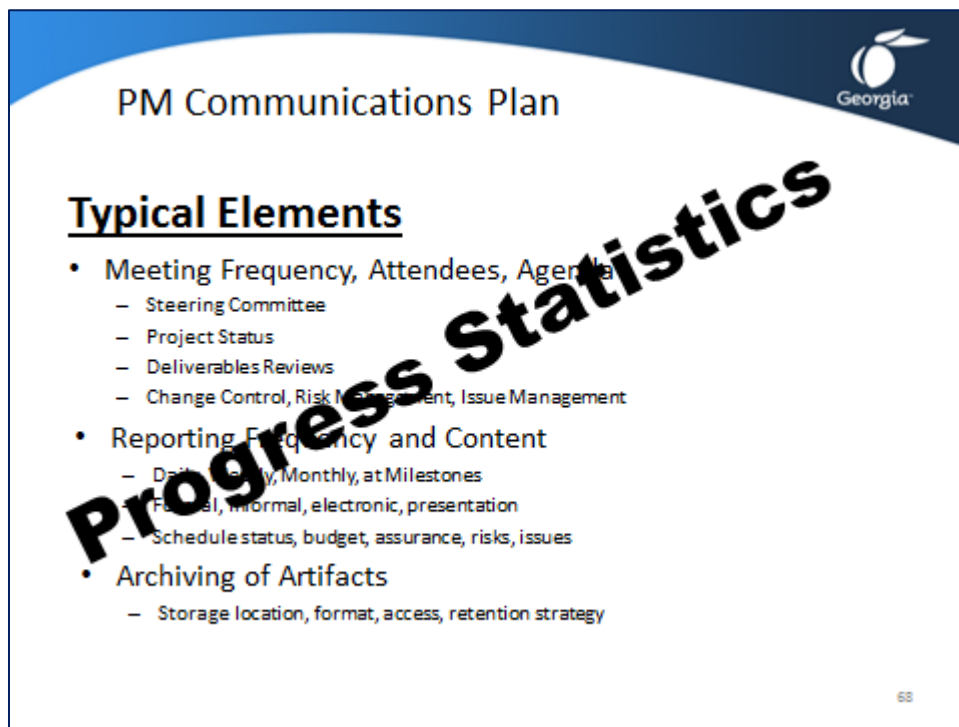
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The same level of planning and preparation is necessary for OCM as for PM. Just because it is often referred to as the “warm and fuzzy” discipline, doesn’t mean it isn’t still a discipline. Create a WBS and comprehensive schedule for all OCM activities and integrate it with the project schedule to identify dependencies and opportunities for shared communications.

The OCM strategy and approaches can be included in the PM Project Charter if desired, or a separate charter may be needed. Make these types of decisions based on the size of the OCM effort and the structure of the change organization.

Make decisions early on about whether a separate OCM plan will be developed or the PM plans (communication, training, risk management, etc.) will be expanded to incorporate OCM strategies. It may be easier to have it separated out, but again depends on the complexity of the change and how the resources will be allocated.

Topic 2: Relating the OCM Plan to the Project Management Plan



PM Communications Plan

Typical Elements

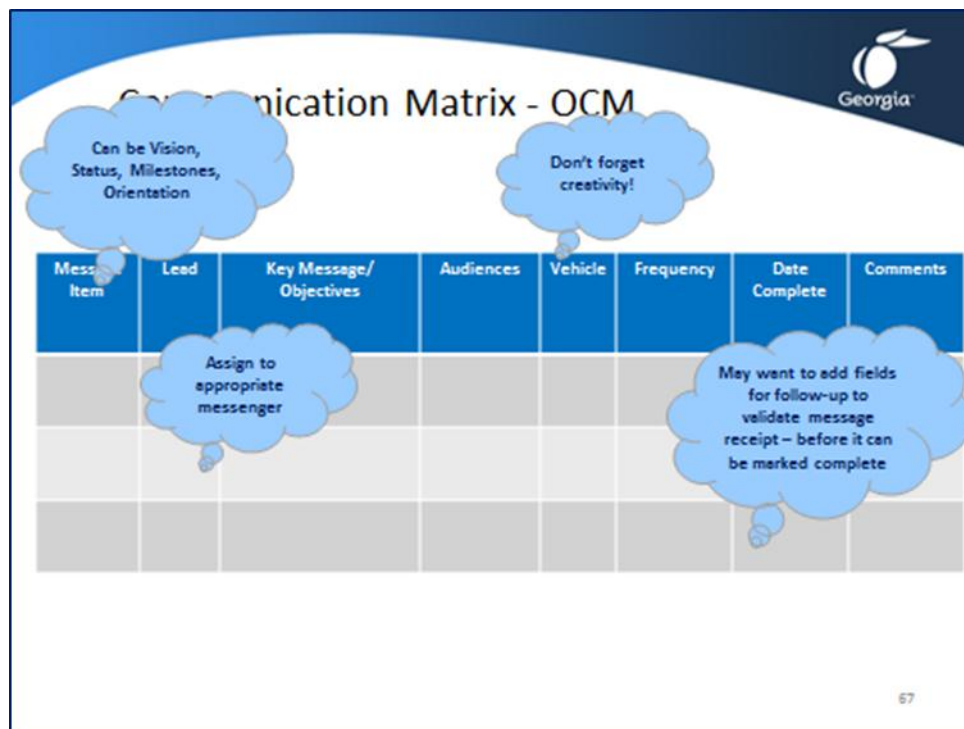
- Meeting Frequency, Attendees, Agenda
 - Steering Committee
 - Project Status
 - Deliverables Reviews
 - Change Control, Risk Management, Issue Management
- Reporting Frequency and Content
 - Daily, Weekly, Monthly, at Milestones
 - Formal, Informal, electronic, presentation
 - Schedule status, budget, assurance, risks, issues
- Archiving of Artifacts
 - Storage location, format, access, retention strategy

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Project Management communication is generally centered around reporting statistical type information on status and progress against milestones and deliverables. The reporting formats may be somewhat tailored depending on the level of the audience (project team vs. Executive Steering Committee), but the basic content is generally the same. The focus is how the project is performing against scope, budget and schedule.

These communications generally don't begin until the project has its official kick-off and will cease upon project close. The primary communicator is generally the Project Manager or Sponsor.

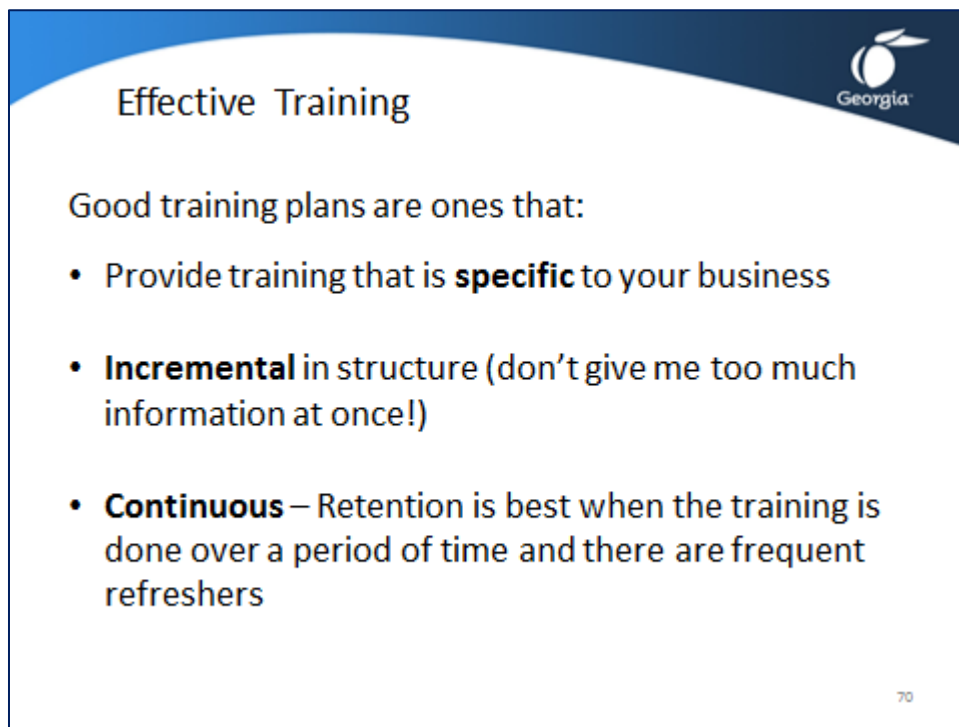
Topic 2: Relating the OCM Plan to the Project Management Plan



When building a communication strategy for OCM, there are additional factors that must be included:

- The message can be project or non-project related. It could focus on organizational activities that are a dependency for the change success, but do not directly affect the project's ability to move forward.
- The appropriate messenger is critical. Individuals want to hear about organizational change from the Sponsor or CEO; but they want to hear about how it will impact their day-to-day work environment from their supervisor or manager.
- OCM communications should utilize a wide variety of vehicles and be repeated multiple times. (No one wants to hear a project status report over and over!)
- In some cases, it will be very important to follow up with the audience to ensure that the message was clearly understood. For large change initiatives, consider phone surveys to test random employee's awareness of the change and how they are preparing.

Topic 3: The Training Matrix

A presentation slide titled "Effective Training" with a blue header and a Georgia logo in the top right corner. The slide lists three bullet points about good training plans.

Effective Training

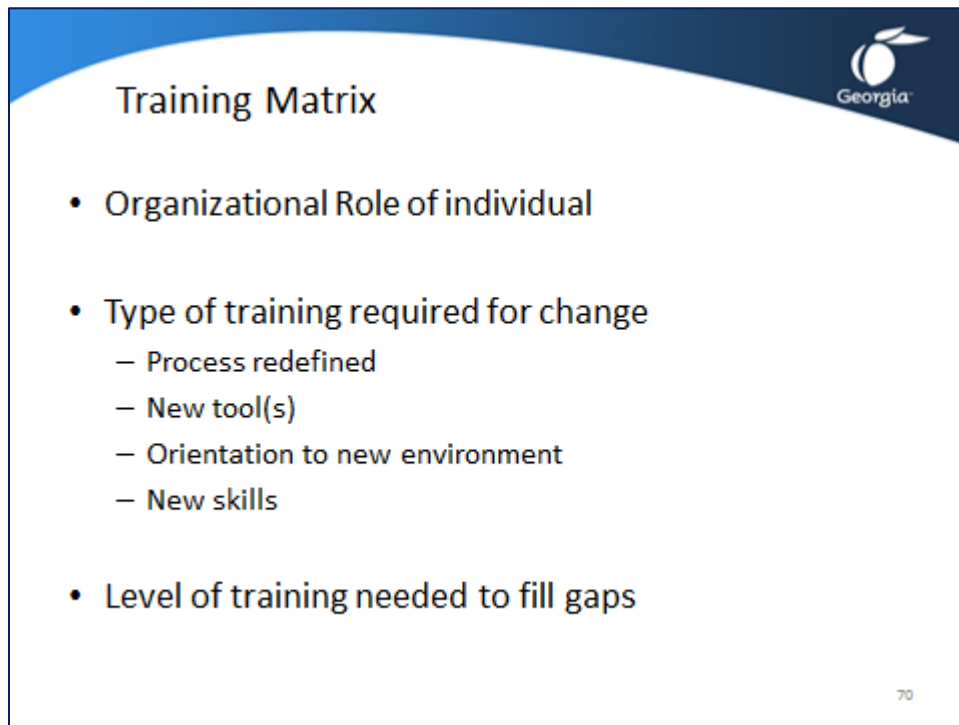
Good training plans are ones that:

- Provide training that is **specific** to your business
- **Incremental** in structure (don't give me too much information at once!)
- **Continuous** – Retention is best when the training is done over a period of time and there are frequent refreshers

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Start with understanding the basic tenets of effective training. This will provide a solid foundation for the appropriate approach and strategies to incorporate into the Training Plan.

Topic 3: The Training Matrix

The slide features a blue header with a white Georgia logo in the top right corner. The title 'Training Matrix' is centered in the header. The main content area is white and contains a bulleted list. The number '70' is in the bottom right corner.

Training Matrix


- Organizational Role of individual
- Type of training required for change
 - Process redefined
 - New tool(s)
 - Orientation to new environment
 - New skills
- Level of training needed to fill gaps

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In defining the type of training needed, it can be helpful to conduct a visioning exercise with your Sponsor and key stakeholders. If the change is successful, what will the future look like? How will the organization perform differently? How will employees perform differently? What will the customers and/or other constituents see as a result?

Focus on process changes and/or role changes. If individuals may see a change in role, or if their role will be eliminated, it is critical to have a plan for addressing their needs early in the process. It may be important to think about providing more focused transitional training or coaching. All of these factors should be considered as the training plans are being developed.

Topic 3: The Training Matrix



Training Matrix

	Security	Application	Agency Profile	Financial
Agency ISO	G, P, E		G	
GTA Security SME	G, P, A	G, P	G, P	G, P
Application Owner	G	G, P, E, A	G, P	G
Agency Application Manager	G	G, P, E	G, P	
GTA Application Portfolio Manager	G	G, P, E, A	G, P	

G – Data Gathering
E – Data Entry
P – Process
A – Data Analysis
X – Executive Overview

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This is an excerpt from a training matrix that was developed for the state's new STARR application. The system will gather data from agencies related to their technology expense and management. It cuts across the functional areas of Information Security, Application Management and Finance. Because of the breadth of the system, it was critical to identify all the various roles within the agency and GTA that could be impacted by the change. In some instances, individuals would only require training on the tool – their processes would not change. In other cases, entirely new processes were being introduced and employees would need to take on additional roles. The change wasn't extremely complex, but very diverse in the way it would impact different stakeholders.

Lesson 6 Summary: Learning Objectives Recap

- Know the key elements to include in an OCM Plan

An OCM plan should include the following basics:

- Purpose
 - Team Structure and Resources
 - Assessment Approach
 - Communication Strategies
 - Training Strategies
 - Cross Dependencies with the Project Team
 - Adoption Tracking Strategies
- Understand how to relate (and integrate) the OCM Plan with the PM Plan
 - Make certain to follow the same level of discipline in OCM planning as you would in PM planning.
 - Ensure that OCM approach and structure is included in a charter document (whether in the Project Charter or a separate OCM charter).
 - Designate early how communication planning and training planning will be documented.
 - **At the end of the day, there must be an integrated PM and OCM plan and schedule.**
 - Be able to create an effective training plan/matrix

Effective training should be 1) specific; 2) incremental; and 3) continuous

Develop a matrix of courses and trainees based on complexity of the change:

- Look at the entire spectrum of training needed – not just tools
- Training should be targeted based on role, gaps between current and future functions and needed skill sets
- Don't forget to build a plan for ongoing training after the change has occurred

[illegible]